

The departmental budget reviews reconvened on April 19, 2012 at 9:10 a.m., and proceeded as follows:

Councilmember Bynum (present at 9:18 a.m.)
Councilmember Nakamura (present at 9:18 a.m.)

Chair Furfaro: Aloha and good morning. We are resuming our Capital Improvement review as part of our budget program that started. So we're back from recess. And I want to let Mr. Dill know my intentions. I would like to have an overview presentation on all of the material that you have for us today. And then at that point, before we actually go into the individual pieces, if there are people that would like to offer testimony, I would like to take the testimony and then follow the schedule that you folks had submitted to us. Okay? But I would like to do the overview and see if there is testimony and then follow the schedule you submitted. Mr. Contrades, you have the floor. If you are going to make a presentation, I'm going to move to the other side.

TOMMY CONTRADES: that will come up in a little while.

Chair Furfaro: Okay, very good. I am expecting Councilmember Yukimura, as well as Councilmember Bynum shortly, but we will get started.

Mr. Contrades: Good morning Mr. Chairman, members of Council, for the record my name is Tommy Contrades, and I'm pleased to be here with our CIP team to present the administration's proposal for capital improvement projects for the fiscal year 2013. This has truly been a team effort and while I'm tasked with the overview management coordination of the CIP program, there are many hands involved getting projects through the process and to completion. It's a team effort consisting of project managers in the Department of Public Works, the Department of Parks and Recreation and many other Departments who do the heavy lifting and make the projects move. Other important team members include the Finance Department, Purchasing Agency, the County Attorney's Office, and the Office of the Mayor. And of course the Council which ultimately sets the direction for the annual Budget Ordinance. This morning we'll first be presenting a general overview of the CIP program, followed by detailed discussion of the proposed projects department by department. Our first 30 minutes will be dedicated to the overview, which also includes a snapshot not only of where we are, but also where we are headed. I will start with an outline of how we currently manage our CIP program. Then Ken Teshima will provide the overview of some management tools we are looking to incorporate in order to coordinate our CIP program more effectively. And finally Ernie Barreira will cover the process we use in order vent the projects and develop the fiscal 13 proposal which is before you today.

Now allow me to start with an overview of how the CIP program is currently managed. First of all the CIP project/program was initiated by Mayor Carvalho. For the past couple of years the Mayor was working with Joe Blevins on creating a program for CIP projects using existing County-owned software, namely Microsoft projects. Using this software with the help of Joe Blevins, Mandy Swanson and Brandon Raynes we were able to assemble all CIP projects into one master schedule on MS projects. From the master schedule we're now able to forecast project costs, start dates, finish dates and percent complete and project data. Each project begins with a project initiation document. The document is used to describe the project and its funding needs. Once the project has been funded, the PID becomes sort of an historical document and the remainder of the project is scheduled-driven. Data for each project is filed on share-point and available by permission to individuals as needed. Unfortunate some of our software use is a bit outdated and has made it difficult for us to be on the same page at the same time. So we're going to hear from Ken Teshima as he presents to us a new software program that we are looking at trying to obtain that will incorporate all of what we are doing now and hopefully brings us to a higher level of what we intend

do in the future. So at this time I am going to ask Ken to come up and explain to us the benefits of our new program. So Mr. Chairman, now you may want to move over as we are going to use the Power-Point.

Chair Furfaro:

Ken, when you take the mic make sure you introduce yourself again.

Mr. Contrades: The present program that we are using has provided us with the ability to track a lot of our projects. We are looking at obtaining software that will give us even further benefits. First of all look at reduction in overall capital projects costs and advance warning of potential changes which enables us to do some proactive decision-making. Greater protection against the blame-game and resulted in costly litigation. Producing more accurate forecasts with real time access to better information and one of the things about this is we are trying to find someone who can link what we are doing now with our financial forecast which would really be a big help. Reducing surprises and minimizing risks and putting more work in place with the same staff. Access to real time financial information and the ability to create, and customized reports. Ken.

Mr. Teshima: I am Ken Teshima with the Department of Public Works. The following slides are example of different outputs and it's essentially not exactly what we are looking for but it's only some exhibits that we may or may not utilize. We're in the process of pursuing a tool that we can utilize from project concept all the way to project completion, including capital planning, possibly, and ultimately, perhaps, data-collection in pursuing future projects. This is just an example of different tasks and expected dates for a project. This one here is also an example of a report indicating the kinds of different details of the projects. And it varies. The formats are just examples we're looking at modifying to our own needs. The graph is indicating how a project moves as far as construction process is concerned more so is essentially a graph the front-end is usually purchasing long lead items and the bell-shaped curve is how the dollars are spent throughout the project. This is another example of some of the exhibits that we can utilize to better understand where the monies are going, and how the monies are being used, either relative to a project or a combination of projects or maybe a specific part of a project. Next one, this is also a list of some project summaries relative to compilation of many different projects, looking at dollar forecast and variances relative to projected and actual. In the far right corner it says, "over and under." This also have another example of some reports that indicate some line item changes relative to different accounts. These accounts and these line items are somethings that we would actually create ourselves. It's not going to be exactly like this, I'm sure something that we're going to customize for our own needs. Next one, another example of a report indicating forecasts for specific portions of a project. Next, this is an example of it's probably a CAD drawing that we do have, but not every station and every project manager may have. But we would like the ability to take an actual CAD drawing and instead of having another CAD drawing on the workstation to communicate we can use this program and software to mark up whatever changes and communicate back to either the contractor or the designer to indicate what our problems may be or concerns or changes that we want to look at. The software itself is expensive, CAD software anyway. This is an example of a list of libraries of different forms that we can use and hopefully standardizing forms and having reasonable access, which I know purchasing is also doing now. This is specifically we can use within the project management perspective. Another example of different kinds of forms the application of the forms and how the forms are utilized during the process. Again, the process is an example of a project. It could be quite different how we deal with our projects relative to what we need to do in our internal communication requirements. Next, these are the modules that take information for bid process. I know purchasing is endeavoring to look at software to do that, but we could or could not use this. And if we do use it, it would most likely be for data-collection and statistics based on projecting future bids and bid information and cost estimates. Next one, this is an example of a (inaudible) chart which lists the different tasks, the different schedules and how the different tasks

and schedules relate to each other, simply to manage the relationship between tasks and projects and perhaps time and money and understanding what the potential schedule may be for each task. Next, this is a checklist that can be used in this case it's a project close-out checklist that basically shows us for each project whether a task has been done to assure us that the close-out process is complete and we have the deliverables that we still need for each project. We're in the process right now of developing the RFP. We have one draft now that needs to be reviewed with all the agencies and their comments. Any questions?

Chair Furfaro: Mr. Rapozo?

Mr. Rapozo: Thank you. Is the software in the budget this year?

Mr. Teshima: Yes.

Mr. Rapozo: What was the ... I must have not seen it. How much is this software?

Mr. Contrades: I think we put in \$100,000.

Mr. Rapozo: \$100,000.00, and it would be in which ... I'm sorry, where is it? It's in the CIP budget right?

Mr. Contrades: Bond fund, on the bottom.

Mr. Rapozo: Okay.

Chair Furfaro: Any other questions? Mr. Kualii?

Mr. Kualii: I'm just curious as to I imagine with the and aloha and good morning by the way and thank you for all the work that you do. I imagine that with computers these days you can get a pretty good tracking system and reporting system. Just wondering if ultimately this system would allow Councilmembers or others to look at information? Obviously you are managing the information, you are altering the information and updating the information but as far as reporting and just looking at big-picture progress stuff as far as progress on the timeline and schedule and maybe updates on the expenditure of funds. Would the software allow such a thing?

LYLE TABATA: Hi, Lyle Tabata, Deputy County Engineer for the record. Chair, Members that is what ... maybe we can go back to ... the intent is yes. The short answer is yes. We would create reports of various details for the different levels of information. So for the project manager he would have the most detailed reports. For the department heads that the projects are being done for would be the next tier, for the mayor and available for council.

Mr. Kualii: That would be good news, because I think access to information is one of the most important tools for us, for us to be able to do our job.

Mr. Tabata: One of the goals is to be able to, on the intervals we determine, have automatic reports sent out through email. So the request will ask whichever software provider be able to interface with the County's primary email method is outlook, interface with Microsoft Outlook as you saw the schedule mark interface and Microsoft Project Manager so forth and our as 400 accounting system. So these are all details of the procurement.

Mr. Kualii: Just one thing, with the Department of Personnel Services right now there is this quarterly report, it's done manually and we have to wait for it. I think with computers and the ability today, ultimately, we want to get to a point that yeah, you can generate quarterly reports and send it our way, but if we are working on something, one of our committees or whatever with our staff if we can just from time to time on demand sort of like not just quarterly but if something came up and we are working on something to be able to just access the basic tracking information.

Mr. Tabata: Exactly. One of the features that is a part of the selling point to us, from all of the original five that we looked at, was at the touch of a button you create a format for the report. If we wanted every Monday morning, we can get it every Monday morning, real time, to tie into the accounting system, that it will upload whatever happened from the previous week at week-closing in the accounting department.

Mr. Kualii: And then of course it will only be as good as the workers who are putting the information in. So as things get done, they need to be inputted sort of right away. Of course, keep in mind the low-level staff that you need to make sure that everything is inputted into the system, so that what we're paying we can utilize in that manner

Mr. Tabata: One of the requirements for the construction module section will be able to use smart phones or iPads or whatever laptops in the field that are connected that will feed right into the modules?

Mr. Kualii: The last thing line item says, "CIP management system consultant," and in parenthesis software/training. Can you tell me how that \$165,000 breaks downs between software piece and training piece?

Mr. Tabata: I would have to get back to you. But it includes the purchase of the software with a number of seats and that is to be determined how deep we want to go and the training. The majority of that cost is training.

Mr. Kualii: Yes. Okay, thank you so much. Thank you, Mr. Chair.

Chair Furfaro: Lyle, following up on that, how deep do we want to go references the training module for this. So incrementally, do we know at what plan we have right now for when engineering will be coming on that, when Building will be coming on with that, when Parks will be coming on, because your department doesn't manage all CIP in the County. When Planning will come on board? Do we have a template like that or is that something we'll look for in the future?

Mr. Tabata: That has to be developed, but the intent is that we'll start with Public Works.

Chair Furfaro: I would say the intent is very good, but please keep us informed as training develops to add other departments on.

Mr. Tabata: We will.

Chair Furfaro: Thank you, Lyle, Vice-chair Yukimura.

Ms. Yukimura: As a follow-up to the chair's question. Is there a master plan that shows that kind of scheduling?

Mr. Tabata: For the training? The implementation you mean?

Ms. Yukimura: For the implementation and rollout into all the partnering Departments or Divisions?

Mr. Tabata: I have a rough sketched out on the pad that I could put into the Microsoft Project, but the intent is in 18 months to be fully functional.

Ms. Yukimura: As in Public Works itself or within all departments?

Mr. Tabata: We hope the whole County.

Ms. Yukimura: That is a really aggressive...yes.

Mr. Tabata: I know it's aggressive, but I think for the requests that we have received from Council and other Departments and the Mayor's intent on better communication and tracking status of our projects, I think it will be pushed to the forefront in priority?

Ms. Yukimura: Okay, thank you. So then the issues, for example, about roads was before us and the projections of new roads based on approved subdivisions that are coming up and putting them into the road system, that kind of interface is going to be made presumably?

Mr. Tabata: Well, let me re-phase your question. Your question was if there are new subdivisions coming up if it's going to be interfaced? We don't interface or we don't register a new subdivision until the asset is accepted or dedicated to the County, so when that happens, definitely, it will be put into the maintenance Micro Paver Software and if a project is generated from that, it will end up here. This is specifically for CIP project management and part of this will feed into allowing us to include the load-up into the six-year CIP plan, because this will compartmentalize annually our spending based on the projects and allow us then to create that as one of our reports, the six-year CIP. So we're working with Planning and interface that department with us to build this. We have shown this to them and they have sat in a number of our presentations and that is the vision.

Ms. Yukimura: That seems like a logical point that for example roads is inputted into the system and how does it interface with our I still don't have a clear name for it but our GIS data system that will be ... which is another important aspect of information in terms of access by the public but also access by planners and data needs and I'm going toward subdivision lots AG subdivision lots and so forth.

Mr. Tabata: So if we can see this project detail overview, this will be as Ken mentioned an overview of our project. What we have now and what you have if your folders are the PIDs. This will be our PID page, where project initiation document, all the details the project overview and if you see on the top right, there is a picture. We can also input the GIS layer that identifies where in our community. So we'll be able to select one of the drop-downs and connect it to the location where it is in our community. When you go to it the document management page, we can also, if it's a subdivision, if it's a home in the subdivision -- I'm sorry, say Parks is building a new neighborhood center in a subdivision. That would link to the GIS system to locate exactly where it is. Tax map key, etc., and all of our documents are going to be logged electronically now and all the document management in this module will be kept electronic and when we get to close out process checklist, all of those documents electronically held would be categorized here and then this would

be transferred to asset management. So they will have everything that had to do with this project electronically, as a history, and then part of the facility asset drawing of as-builds, all of the cut sheets from all of the equipment installed, etc., will go to the appropriate divisions, say building to Building Department for them to carry on the asset and be able to manage the asset.

Chair Furfaro: On that note, since this seems like a gift from Papa Noel, would we put you back in December and you give us an update on the project? Seven months from now? I see Mr. Dill shaking his head yes. So we'll get another update on how you are progressing in about seven months, just before the end of the year. Councilmember Nakamura, you have the floor.

Ms. Nakamura: Thank you for your presentation and great to see the county moving in this direction. I think it was mentioned earlier that this is the similar software that City and County of Honolulu is looking at? Is that correct?

Mr. Tabata: The City Engineering Department -- so this is a data base software. So they took a generic data base software and they built the modules themselves. So if the person who built it, leaves the County they are up a creek so to speak. What we're looking at is a legacy. Any of us can leave and it will be there. We're championing it right now and so we'll ensure that we train enough people in the operation, and you know, like anything, we need to get all of our project managers in all departments to use this. So that has been the challenge.

Ms. Nakamura: But you are saying you are going through an RFP process?

Mr. Tabata: Right.

Ms. Nakamura: I wanted to follow-up on Councilmember Rapozo's question about the cost because we're actually on the Council side we're looking at three documents regarding CIP. The first one came together with the budget, initial budget message on March 15th and then yesterday we received a more detailed breakdown by expenditures and encumbrances so forth and today we have this third version, all presenting good information, but in different ways.

Mr. Tabata: That is part of why we're pursuing something like this, because you get all of these different formats that I understand it's confusing

Ms. Nakamura: And I think the question I have is on the initial budget that came over, the CIP budget under "CIP management system." It was \$165,000 and in the version we received last night under "CIP," it was \$165,000 and then in today's version it's \$100,000 minus \$65,000, so it's \$100,000.

Mr. Tabata: I think we split the money that is --

Mr. Contrades: Actually last year it was \$65,000 and then we added another \$100,000.

Mr. Tabata: We added another \$100,000. You will see in the roll-up the last page the total.

Ms. Nakamura: The last column says \$100,000. So it's not consistent?

Mr. Tabata: It should add up to two, I don't have my copy with me. But we have \$165,000 in there.

Ms. Nakamura:
because I'm assuming that last column –

Okay I just want you to take a look to make sure,

Mr. Tabata:
addition to what we had last year.

I think that is the new money we're putting in, in

Ms. Nakamura:

Okay, so this is not the total CIP?

Mr. Tabata:
already have \$65,000 presently.

That is what we're asking for this year, because we

Ms. Nakamura:
it. All it says is total.

Maybe if it was labeled that way we could understand

Mr. Tabata:

Okay. We'll be updating.

Chair Furfaro:

Could we turn the lights back on.

Mr. Tabata:
we're asking to upload.

So the bold page is what is in the Ordinance that

Mr. Rapozo: If you look at that line, you see in the bond fund \$165,000. And if you look in general funds, we removed the \$65,000 from general fund. Which is showing us the total available funds for this project is \$100,000. That is what this shows.

Mr. Tabata:
spreadsheet is an error.

Okay that is an error. We need to check on that. The

Chair Furfaro:
schedule?

Vice-Chair, you have a comment on this particular

Ms. Yukimura:

Yes.

Chair Furfaro:

Go ahead.

Ms. Yukimura: I think what you meant by total available meant existing. And then this is the last column that says, total. Right? So I think you meant it, but it is very confusing. When you said, total available, mean what is existing now.

Mr. Tabata:

Yeah.

Ms. Yukimura:

I don't know where you have general?

Mr. Tabata:

I need to get back on that.

Chair Furfaro: Excuse me, Mr. Barreira, can you add anything to clarify that and then I will give the floor back to Mr. Rapozo? Did you hear what Vice-Chair asked?

Mr. Barreira: Good morning, Chair, Ernie Barreira., Budget and Purchasing Director, I had a clarification for council Members Rapozo and Nakamura.

Chair Furfaro: Would you share that with us. Maybe that will answer...

Mr. Barreira: Yes, sir. What the deduction look like in the CIP is part of our exercise where we removed moneys from the general CIP fund and transferred it to the bond CIP fund. So the total monies available for this initiative is \$165,000

Chair Furfaro: Coming from general fund and/or bond?

Mr. Barreira: Bond. It will all be inclusive within the bond CIP fund.

Chair Furfaro: Did you folks understand what they did?

Mr. Rapozo: I understand what he said, but that is not what the spreadsheet is reflecting. I think that is the concern.

Mr. Barreira: Are we looking at April 18th?

Mr. Rapozo: Yes.

Mr. Barreira: I see a total of \$165,000 under total.

Mr. Rapozo: If you go across, it's \$100,000. The general fund, apparently what it tells me is that in the existing budget from last year, we had only \$65,000 allocated into the general fund.

Mr. Contrades: Correct.

Mr. Rapozo: That has since been removed. We added \$165,000 in the bond fund which I would assume is just basically transferring \$65,000 from general into the CIP bond fund and the total available should be \$165,000.

Mr. Contrades: Correct.

Mr. Rapozo: This tells me \$100,000.

Mr. Contrades: Sorry.

Mr. Rapozo: No, don't apologize. I just ... When we get to this sheet, there are several questions regarding because I have a difficult time understanding when we have a negative balance in the total column. So when we get there, we can, so you have some time to figure out the explanation of why we would have a negative balance in the total. That was just an issue.

Chair Furfaro: I gave you the time for that. Remember where we're at in this presentation. I want you to give us your overview and then I'm going to open up for public comments and then we're going to go back into more detail, as Mr. Rapozo said. So you see what needs to be done at the request of Nakamura and Rapozo; right? Mr. Chang?

Mr. Chang: I think, chair, Clint --

Chair Furfaro: We're going to come back to the item.

Mr. Chang: Okay. I think he wanted to explain something to us.
Okay thank you Chair.

Chair Furfaro: They can get themselves grouped together to make sure they all understand before we get to the change. Okay? Are you going out?

Mr. Dill: If I may, I would like to respond.

Chair Furfaro: Sure you may, Mr. Dill, you have the floor.

Mr. Dill: Good morning, for the record Larry Dill, County Engineer, Councilmember Rapozo, I was going to get into the spreadsheet a little more when I came up to explain what we're doing with the monies and moving things around. First of all in the CIP Ordinance under bond fund, page 2 towards the bottom you see the CIP management system consultant software/training? So we show \$165,000 there in the bond fund. The way that the spreadsheet that you have ties to that, and that is on page 8 of 10, the 11x17 spreadsheet, towards the top. We show that we had \$65,000 in the general fund. Where we're taking that \$65,000 out of the general and moving it to bond and requesting an additional \$100,000 in the bond. You can see in the far right a total amount in that line item of \$165,000, which matches the CIP Ordinance. Does that make sense?

Ms. Nakamura: Can I ask a question?

Mr. Dill: Yes.

Ms. Nakamura: What is on page 10 of 10?

Mr. Dill: Okay on page 10 of 10 actually pages 9 and 10 we summarize and pull from the first eight pages all of the projects where the actual proposed additions/changes are. Okay?

Ms. Nakamura: I see.

Mr. Dill: Sorry when I was going to speak, I was going to go over all of that for you. I am happy to do it now.

Chair Furfaro: So we were talking about the software that has been proposed to us? Is there any more? Let me summarize this, Mr. Dill, if I can? So this new software that is being presented to us is an attempt to have a more dynamic process to the changing workload that we have and be more accurate? No. 2, we wanted this new software system to be more stakeholder-focused, as Mr. Kuali'i had pointed out that we can have a process where we can go right to these reports they'll be current and they're going to be phased in by different departments over the next 18 months.

Mr. Dill: That is correct.

Chair Furfaro: No. 3. I'm speaking without the mic. Okay, you heard me on no. 2. So I will go to no. 3. Okay? This is important. We're going to make the best use of our limited resources. Okay? And no. 4 is this is really an ability to move beyond what seems today to be a fire-fighting system. We're not going to be putting out fires as often, because we're going to be more current, consistent and clear on the reporting.

Mr. Dill: That is correct?

Chair Furfaro: That is the goal there?

Mr. Dill: Yes.

Chair Furfaro: Okay, thank you. And I think we all look forward to it, because at present time you saw the questions coming up, confusing from bond money to general fund money to what line we're tracking on it. You have to combine some assets from the project with money we borrowed. You have to combine others that we set aside in the general fund. We'll get a very clean project release form that is similar to what you and I have seen in the past explaining all of the particulars, design, labor, materials, purchase orders, etc, etc. Well, we do wish you well on that and look forward to an update on December, which you said is achievable, right?

Mr. Dill: We can certainly give an update, yes. We hope to have the RFP out by then?

Chair Furfaro: Well, we will look forward to an update on Papa Noel and what he is delivering under our Christmas tree. Okay? Anymore questions? So let's move on, because I explained to you I want to get to a point after the overview that we can take public comment and then I want to go department by department.

Mr. Barreira: And Mr. Chair, this will be the last piece of the general overview at which time you can invite public testimony. Good morning Honorable Chair Furfaro and Vice-Chair Yukimura and Members of the Council, Ernie Barreira, Budget and Purchasing Director, I am very pleased to be present here this morning and thank you for the opportunity to initiate and continue our vital discussions in terms of fiscal year '13 CIP budget process. The administration and the budget team did conduct a comprehensive review and evaluation of all of our current projects based on certain assumptions, and these include and incidentally, if this sounds familiar, I opened with this back in our first day of hearings but to reiterate, since we're getting into the CIP process, these assumptions included --

Mr. Chang: Excuse me, Mr. Barreira, can you do us a favor?

Mr. Barreira: Sure.

Mr. Chang: For the guys for us that are in the right field if you could get in the middle thank you,.

Mr. Barreira: Once again the likelihood of these projects moving effectively and showing some measurable progress over the next 18-month period based on plans and proposals, as well as resources required for the project and you would see that reflected within the Mayor's Budget Message that was transmitted earlier. Secondly the importance of the project in terms of central public services, which is a mutual concern of both the administration, as well as the Council, the speed in which vitally needed capital funds could be infused into the economy in order to proactively affect jobs and investment. And lastly an analysis to ensure that only funds needed to advance the project in its current planning and/or construction phase could be allocated accordingly. This is to avoid fully funding projects and tying up money from design through construction without accurately assessing the time that will be involved for the various phases of these projects to occur. In short, the CIP funds were allocated to projects in terms of actual funds needed, to achieve completion based on all of the planning initiatives. This enabled the strategy of CIP funding reallocations to other projects based on the analysis. I am pleased to report as I did during our initial reporting to the Council, as well as during my Division of Purchasing Presentation, that there

have been substantial and measurable movements in our CIP projects in terms of growth in professional services and form of procurement, by over 56% over the past two fiscal years and this form of procurement would be primarily invitation for bids for CIP construction projects. I believe this shows evidence of design and construction activities respectively. As I pointed out in my previous presentation we went from 21 to 32 to 50 formal procurement submissions, a good percentage of these having involved CIP project movements. I thank you again for opportunity to share the over view of our CIP budget strategy for fiscal year 13 and look forward to our continued efforts and partnership in delivering an effective and meaningful CIP budget, as well as our collective efforts for the overall Operational Budget. Thank you, Chair.

Chair Furfaro: Thank you very much, Any questions for Mr. Barreira? No? Thank you very much. Now for the Members, and some may not have been aware of my intent today, we got the overview of the CIP program as presented this morning. And then we have from Mr. Dill a sequence of what Departments we're going to go into. But I did say at this particular time it's my intent to allow testimony on any of the CIP budget items that come up in the more detailed discussion as we go through the day. Is there anyone in the and we will follow our Council rules on testimony. Is there anyone in the audience that wishes to give testimony today on any agenda items for today? Mr. Bulatao are you here for testimony?[Inaudible]

JOSE BULATAO JR., I'm here to present testimony relevant to the Kekaha HCB fund allocation. It's not with the CIP thing. Yes.

Chair Furfaro: It doesn't matter? Kekaha the landfill, the actions in the landfill, is all part of all days discussion so I am opening up public testimony this morning like I have in other department.

Mr. Bulatao: I understand that it is a general rule of practice. You have no idea when the HCB funding thing will be discussed?

Chair Furfaro: It is not an agenda item today. The landfill is part of the review in the CIP so we can take testimony anytime on any of those items now. What specific time it comes up will be driven by the Engineering Department and not by the Council.

Mr. Bulatao: Thank you, Chair Furfaro, having to prepare myself to come 26 miles into Lihu'e is a daunting task so I will take advantage of the opportunity to present my testimony at this time, so I can leave as early as possible to go home and watch "The Young and the Restless." [Laughter]

Mr. Chang: When you start, can you just explain to the viewing audience your HCB.

Mr. Bulatao: Most certainly.

Mr. Chang: Thank you.

Mr. Bulatao: I want to make clear that I'm here as a Kekaha resident and in response to Mr. Chang's inquiry about what HCB stands for, it's Host Community Benefit. And in another realm I'm connected to the HCB, but I'm here as a Kekaha resident and I want to make that perfectly clear for all of the world to know. Thank you for this opportunity to present some relevant information, which I think requires your time and your attention. I am here with the understanding that the Mayor's Budget contains the recommendation that an additional \$80,000 be awarded to the Kekaha Community for the fiscal year starting July 1, 2012 and I feel this recommendation needs to be reviewed. It is my contention that the allocation amount be

reconsidered for a number of reasons, which include one, the increase in tipping fees has risen from \$50 a ton to \$90 a ton. Kekaha has received the recommended amount of \$1 per ton for the past four years in spite of the increases which have already occurred. I feel this merits an adjustment. 2, Additional fees from residents is also another source of revenue to the landfill. This should be considered also. The second major thing that I wish to bring up is that the Kekaha HCBCAC, which stands for Citizens' Advisory Committee will be award another funding amount to continue its work. I believe that it's time for the consideration to have the Kekaha Community take over the responsibility and by doing so, eliminate the Kekaha HCBCAC. By doing so, it would no longer be necessary to provide a separate funding amount for a CAC to do its work. It's the Community's responsibility, as it has always been to appoint its own core group of residents, who can and should assume the roles and responsibilities of reviewing and recommending the proposals and to work with the appropriate County Departments as needed. The community group will only recommend which proposals meet the formats and requirements for approval. Why should the county provide additional funding for this work which is to review and recommend proposals, emanating from the community? The four years of experience of the present group serving in the capacity of CAC Members along with several others who have attended the meetings, provide a base of knowledge and familiarity, which were not available when we first started. The fiscal responsibility should now be absorbed by the funds available in the HCB allocation and the processes and procedures can be facilitated in-house. Under the present circumstances, if the landfill will exist at its present location until the year 2021, and that the going rate of providing funds to operate a Kekaha HCBCAC, over \$1 million of additional county funding will have to be allocated for the length of time a mayor appointed CAC exists, where one was needed at the beginning. That is no longer the case. Respectfully submitted Jose Bulatao. I am open for any questions.

Chair Furfaro: First of all, thank you for coming down this morning to give us testimony on this, as we go through the budget. I want to make sure that I understand a couple of points here. Point no. 1, four years ago the landfill was taking in 78,477 tons.

Mr. Bulatao: Rounded out to \$80,000.

Chair Furfaro: And they round out to 80?

Mr. Bulatao: Yes.

Chair Furfaro: The good news for Solid Waste is that we're currently tracked right now to only do 70,000 tons, 791. So Solid Waste has actually made a 12.2% improvement in reducing what is going to the landfill. You're indicating that originally the fee was set at \$80,000.

Mr. Bulatao: At a dollar a ton. Yes.

Chair Furfaro: And the tonnage charge currently has changed to \$90?

Mr. Bulatao: Correct.

Chair Furfaro: So that is an 80% increase per ton. So you're saying and I just want to take this in for myself. You're saying so should then the fee be going up at least 80%, because the county has increased its charge, therefore, you folks should have an increase in your percentage. So the number we should be talking about from your testimony is taking that number to \$127,000 a year?

Mr. Bulatao: If you leave it to a \$1 a ton, but at the time this consideration was made, the choice was between \$1 a ton and \$5 a ton. The committee that made

the decision choose to chose to go with the lesser amount and realizing we were under economic straits at the time, I thought it was the right thing to do and realizing that things may have changed at least slightly in a positive way. I think an adjustment needs to be reconsidered.

Chair Furfaro: But I'm just saying to understand your testimony to keep everything on a level playing field because we have incurred a larger charge per ton, you should equally get the same percentage and so that charge should now be at least \$1.80 per ton, which brings up your annual contribution at roughly 70,000 tons of trash it brings it up from 80,000 it brings it up to 127,000 a year, if we just kept everything level?

Mr. Bulatao: If it were at under the present circumstances and brought to the way you are bringing it at least that should be considered. If you want to be more generous than that, we would also accept that.

Chair Furfaro: I just wanted to make sure that over this time, if we stay equal on the allocation and tonnage charge went up, so should the annual fee? And I think I understand at minimum keeping..

Mr. Bulatao: Yes. I just want to make this clear, that kind of decision is really in your hands, not mine.

Chair Furfaro: And that fee right now, that amount right now is about \$970,000.

Mr. Bulatao: What currently exists now?

Chair Furfaro: That is what exists. I just looked up the number.

Mr. Bulatao: Yes.

Chair Furfaro: And what you are also saying and I want to make sure I understand this, the \$80,000 that was put in for a continued facilitator, you would like us to be thinking that the community is well enough along that you can do some of that work within the structure of the stewards that are on the committee?

Mr. Bulatao: Correct.

Chair Furfaro: That is what you are saying?

Mr. Bulatao: Correct.

Chair Furfaro: Got it. I'm clear on what those two items were. Questions for Mr. Bulatao? Go ahead.

Mr. Rapozo: Thank you and thank you Mr. B for being here today. And I agree with you. I mean I agree with you 100%. The question I have is we received testimony from the CAC from Chair Place, and I would assume that you are familiar with it. Did you get a chance to read his testimony?

Mr. Bulatao: No.

Mr. Rapozo: His testimony basically says that -- well, in addition to asking for \$1 million for the allocation, he is asking for \$100,000 so that -- and I'm speaking to you as a citizen. The question is coming to Mr. B as a citizen of Kekaha and not member of CAC.

Mr. Bulatao: I am familiar with the figures you quoted, but not any communication directly to the Council, but that was discussed. So I want to be sure I clarify that.

Mr. Rapozo: I just wanted to know your personal opinion, because it obviously conflicts what we received from the CAC, because they are asking for additional funding for \$100,000 to continue the facilitation of the CAC. We can get a copy of this and I can get a copy printed and get it to you so you can read it because in there, there are also some comments from your Chair, but he did send to Council testimony, which means it becomes a public record, so I will provide it to you, but I just wanted to make sure that I got your testimony accurate in the fact that you believe at this point the controls should be turned over to the community and let the community run the program as they see fit.

Mr. Bulatao: Your question is very well-taken, Mel. I want to be sure that the community or the public is aware that decisions about in-house decisions about the CAC, in the community of Kekaha will be discussed as agenda items in the May 7 meeting, which is going to take place the first week of next month so no decisions about the continuance of a CAC has been solidified.

Mr. Rapozo: Then I think you might want to read this, because I think it speaks differently. Thank you very much.

Mr. Bulatao: All right.

Chair Furfaro: Vice-Chair Yukimura.

Ms. Yukimura: Let's see, so thank you for coming 26 miles, I know you keep track of things and I appreciate that you do. How would it work if it were to be done by citizens that is by the community rather than the CAC? How is the CAC chosen?

Mr. Bulatao: The CAC was chosen by Mayoral appointment. If you can recall the history of how this whole thing started at the very beginning, there was a suggestion at one point in time where Solid Waste was going to conduct an election in the community with the community and when it was brought to the council's attention at that point in time in 2007 the statement was made to solid waste, you are not in the business of coordinating elections. Unfortunately within that time, Mayor Baptiste passed away and there was an election and Bernard was elected and in the ensuing months in February, Mayoral CAC was appointed from a field of 19 applicants who submitted their willingness to serve on a CAC.

Ms. Yukimura: How do you see, if it's left to the community, how would the community select the CAC?

Mr. Bulatao: In my mind, it would be open house to anyone and everyone who is willing to participate in the process to get together and discuss what types of proposals are being made. But we need a group of interested and dedicated and omitted residents of Kekaha to have an opportunity to come and formulate the ways in which we will deal what is the community's concerns and interests in terms of making proposals for recommendations on how our money can be spent or allocated.

Ms. Yukimura: It still is like...it is called governance you know in the generic language and it is about how you would select the committee. You either have someone appointed or you have an election and if so who runs the election. By what rules are the selections made?

Mr. Bulatao: I can go a little further now. I the work of the CAC one of our CAC members at that time came up with a proposal or a way which such an organizational task can be addressed. And we would use that as a template for organizing, for setting up the rules and regulations, and the way by which we would operate in terms of governance.

Ms. Yukimura: But you see, who sets up the rules and who accepts? It's like we did a charter and people of the island voted the charter, which set our structure for governance.

Mr. Bulatao: Yes.

Ms. Yukimura: But who chooses the structure for governance is the question.

Mr. Bulatao: We have a community organization, under which we could create another body to specifically focus on these concerns that you are bringing up. So we do have an organization that is legally recognized in terms of what the state requires of us to be a non-profit organization and we were thinking of creating a Kekaha Neighborhood Board, if you will, to focus specifically on these concerns.

Ms. Yukimura: I think that is one way to go, and then the question is what if the CAC sets up a Kekaha Neighborhood Board no. 2? So it's just a question of how you make these decisions.

Mr. Bulatao: And the other way, because I think your questions are very valid, JoAnn. The other way is through the existing funding and what allocations are made to the CAC between now and 2021, we would use the funding resources from that allocation to do the kind of financial needs that need to be addressed, rather than having to come to the County Council to request more money to do the financial support of a Mayor-Appointed CAC. It would be a community-empowered CAC, utilizing the funds that are already there and forthcoming annually so it becomes an in house responsibility and not an additional responsibility of the County.

Ms. Yukimura: So what you are saying is that the CAC would allocate some of the monies for the governance of the Kekaha Community and for an ongoing system which would have to be determined and then somehow sanctioned either by a vote or by the County if it sets up some rules. I know in Portland they have an office of community affairs that sets certain rules and guidelines for how communities can set up their neighborhood associations.

Mr. Bulatao: Yes.

Ms. Yukimura: To ensure equal access and proper functioning. You just kind of need that for some credibility and ability to function.

Mr. Bulatao: Correct.

Ms. Yukimura: But there are different ways of doing it, and what I hear you saying is that the community would, through a funded facilitation process, using the funds, the host community benefits funds, figure that out and then operate.

Mr. Bulatao: Yes.

Ms. Yukimura: Okay. Now I haven't tracked really carefully how the decisions are made about the allocation of funds, but that is a decision of the CAC? The CAC now makes decisions about how those funds are allocated? The host community benefit?

Mr. Bulatao: The CAC reviews the proposals that are submitted to that body and will do its work and then present the recommendations of the outcomes to the Mayor for final approval.

Ms. Yukimura: So he does the final approval? Okay, using that system you would develop a governance system?

Ms. Yukimura: Correct. Thank you.

Chair Furfaro: If I may Mr. Bulatao, I am going to give what you have posted on your folks website that deals with the process of the allocation, the applications, the two-tiered and so forth, so I'm going to have this circulated. I got this off of your website. Could we get copies for all of the members? Are there any more questions for Mr. Bulatao? Go ahead, Mr. Chang?

Mr. Chang: I was wondering Mr. Bulatao, our staff gave you the minutes and the discussion through your Chair Bruce Place. Should we take a recess to read that? Would you like to read that to see...

Chair Furfaro: That is a new precedent that we take a recess for testimony. I don't have a problem with it, if I can get all the members to agree, but I don't want it to be set as a new precedent. Mr. Bulatao, would you let me have a moment to pan the group? Would you have a problem if we took a recess?

Mr. Rapozo: I want to make one comment. I just got an email thanks to the ipad we can monitor our email but I just got an email from Bruce and it says, Aloha, he must be watching this, the testimony the Council received on the KHCBCAC was from me as the Chair and will be distributed to all CAC members and be on the next agenda as a communication. So I guess it's not testimony from it the CAC. It's from Bruce, but it looks like, as you can see it was from the CAC. So that should clarify that and that is why you haven't seen it.

Chair Furfaro: Members, does anybody have a problem if I took a recess now?

Ms. Yukimura: We're due a caption break?

Chair Furfaro: And we'll do a caption break in that form. That is a better way to do it than setting a new precedence. We're going to take a caption break.

There being no objections, the meeting was recessed at 10:17 a.m.

The meeting was called back to order at 10:27 a.m.

Chair Furfaro: Members, I just again want to remind us that today is CIP. Sounds like your group will have another meeting in May. I'm sure in our Public Works Committee there will be an opportunity to schedule more discussion in the near future, but for budget purposes, you have expired your time, but since we posed some questions to you, I want to see if you have any feedback on the material we gave you. So you have the floor, Mr. Bulatao.

Mr. Bulatao: Thank you, Chair Furfaro. In considering the things that I said and in light of the information that was just provided me, I have some concerns as a community resident in terms of how matters continue to proceed with information being circulated, not shared with the CAC. because an indication here from the KHCBCAC budget request, set as of April 18th, which was Wednesday, yesterday, at 7:28 p.m. to the Kaua'i Council. We were not cc'd and when I say "we" I go to the fact of the matter that I serve also as the CAC Vice-Chair and I would have appreciated being cc'd on this, but I was on my computer at 6:00 this morning. I don't have a copy of this on my computer. It may be my computer is slow-moving. I'm not sure. I will go home and check and see if and when something was sent to me. But nothing was there.

Chair Furfaro: I think that is a fair and reasonable request. And I will put in a separate memorandum. I came in early this morning too but I still have 102 emails that I haven't read from yesterday so, I haven't seen what you are referring to, but I will hold my judgment until I read what they said.

Mr. Bulatao: And I do want to call the attention to a fact that I appreciate that Chairman Place made a reference to a meeting that took place on Monday with one of the people -- a group that had made a project proposal and there is clear reference to that. But I am also concerned about the way that meetings or that workshops, because there is a differentiation between a meeting, and a workshop, and the concern that we had about whether or not a quorum was necessary and whether a decisions would be made and those types of things would be clarified. I will close with this; the CAC has been mandated by operating under sunshine law. It has been a difficult thing for me and for a small community to have to manipulate our way through being CAC member and a community resident and the extent to which our discussions have to be very carefully monitored because of that requirement. So getting this out of the governmental side of handling may provide the community that leeway to be a little bit more open and to encourage community empowerment to become involved in the process.

Chair Furfaro: Thank you very much, Mr. Bulatao for coming down today and your testimony, and I will send out a little piece of correspondence of making sure that -- and I will copy -- you are the Vice President, right?

Mr. Bulatao: Vice-Chair.

Chair Furfaro: Vice-Chair and Bruce the Chair I will copy as well. Thank you for coming down today. Thank you. Any testimony on Capital Improvement Projects that are covered today? If not, Mr. Dill, we're going to go right back to you. Oh, come right up.

Patrick Perreira: Can I speak on the same issue?

Chair Furfaro: Yes, any item that is on the CAC you can speak on. You will have to introduce yourself for the record and give you six minutes for the record.

Mr. Perreira: That is too many minutes. My name is Patrick Perreira and I'm a resident of Kekaha and the reason I'm here this morning is to give testimony on the amount of money that is received as a host community benefit. Now originally the proposal was made by Mel Rapozo and Iseri-Carvalho, I think that was four years back that the community be

awarded a million dollars a year and this was discussed in this body and it was finally agreed that \$650,000 would be awarded that year and \$80,000 would be awarded after that. There were several glitches in that because where the money was put wasn't collecting interest and we brought that up and this committee again took the money and put it where we could collect interest and we thank you for that. As know, dumping rubbish on this island is a very serious business. Most landfills last about 30 years, but this landfill has been in our backyard for 59 years and will remain there for nine more years, yeah? And I think the people of Kekaha deserve a more equitable share of the rubbish-dump revenue. And I suggest that the County Council go back to that year, where the intent of the proposal was to finance the people of Kekaha \$1 million a year. Dumping rubbish is a serious business. Nobody else in this Kauai Community has the rubbish dump in their backyard. They have satellite dumps and the satellite dumps truck all their rubbish to Kekaha rubbish dump. And that's my thing on this. If this was granted or anywhere near that was granted, that would take care of the facilitator and all other encumbrances expenditures that the community would require. I told the Mayor a couple of times, and I'm surprised he didn't bring it up with you guys. But, you know, you are taxing a community who has the rubbish dump in their backyard for 59 years. Okay, we all got to pay our equal share. That is understandable, you know? And if you cannot take away that tax, maybe that tax could be alleviated by a more wholesome dumping HCB. Serious business.

Chair Furfaro: Pat, your testimony is well-received. And we do appreciate what the Kekaha Community has done for the Community of Kaua'i.

Mr. Perreira: But they will continue doing that for nine more years and we do appreciate all of you folks running the County how it should be run, yeah? But we're asking you, we're begging you to revisit that. Thank you.

Chair Furfaro: Thank you, Pat. Were you the driver for Mr. Bulatao?

Mr. Perreira: Yes, the taxi man.

Chair Furfaro: Any more testimony here? Thank you very much to the Kekaha Community for being here today. Mr. Dill, we're going to call you up and run CIP on your schedule that you gave to all Members. You have as much as three other chairs there or two other chairs for whomever you have coming up.

Mr. Barreira: : Good morning, Chair, brief follow-up, Ernie Berreira, in terms of the CIP budget one of the things that went on and I think we touched on this prior during the first day of our budget presentation is that we had reallocated \$3.7 million in CIP General funds within the budget over to the bond fund, CIP bond fund. And we had used that so we could apply those savings to the operating budget challenges that we were facing. What remains in the CIP general fund is approximately \$2.7 million, with all other funds for CIP now residing within the bond fund, just as a clarification.

Chair Furfaro: Okay.

Mr. Barreira: Thank you.

Mr. Dill: Good morning again, Council Chair and for the record Larry Dill, County Engineer. Before we begin, I would like to take a moment to run through this spreadsheet that we provided to you, and show you how it ties into the CIP budget ordinance proposed for fiscal year '13. I am going to reference the cover sheet of the CIP ordinance, which shows the funding requested in the seven different funds which total at the bottom \$61,797,144. So that is the budget ordinance, okay? So with that in mind, if you compare that against page, I believe it's 8 of 10 on the big spreadsheet we're looking at page 8 of 10 and comparing that to the CIP budget

ordinance. You can see it on the big spreadsheet we break up -- we have a total available for each project and the various funds that it's using to get to the total available for each project. At the bottom line you see the numbers for the various funds tied exactly back to the budget ordinance. So if you look in the total available on the big spreadsheet, page 8 of 10.

Chair Furfaro: One question here.

Mr. Kualii: I just wanted to go back and make sure I'm looking at the right document, because I remember when we first received this, we then got something from Councilmember Nakamura because she caught some mistakes in the submission. Was the submission corrected and then resubmitted to us or should we be looking at Councilmember Nakamura's version of the document? Because total you are giving now, \$61,797,144 is the total in document from Councilmember Nakamura, but in this budget submittal document, the total is \$61,518,713.

Mr. Dill: So the number that you have from Councilmember Nakamura is the one that we are using, that is the correct number.

Mr. Kualii: So this one from the original budget we're not using?

Chair Furfaro: Now I'm confused read the bottle line please.

Mr. Dill: The corrected number that we are using for total of all funds is \$61,797,144?

Chair Furfaro: \$61,797,144?

Mr. Dill: Correct.

Ms. Yukimura: The cover page from mine is a floor amendment page and then the bill that was proposed by Councilmember Nakamura as an amendment to the bill that was submitted March 15th.

Mr. Dill: I'm not sure of the dates, but there was a modification.

Chair Furfaro: So the \$61,797,144 is with the amended or modifications in it?

Ms. Yukimura: Yes.

Mr. Dill: Correct.

Chair Furfaro: Do all Members have that document?

Mr. Rapozo: No. I need a copy.

Chair Furfaro: Here, take mine and make some copies, thank you, Yvette, thank you very much. I will let you continue with your narrative.

Mr. Dill: I want to show the Councilmembers how that document ties into the spreadsheet. If you are okay with a five-minute recess.

Chair Furfaro: We'll take a five-minute recess again, but it's only five minutes. Do not stray far, people.

There being no objections the meeting was recessed at 10:43 a.m.

The meeting was called back to order at 10:48 a.m.

Chair Furfaro: Mr. Dill we have the right draft Ordinance to everybody now.

Mr. Dill: Terrific so again I'm looking at the cover page of that Ordinance which shows all the various funds, total in each fund and the total of all funds at the bottom of the number we referenced earlier \$61,797,144. I'm looking at the large spreadsheet that we have given to you, date near the top there is April 18th, 2012 up at the top. page 8 of 10, and look at the bottom line of page 8 of 10. The bottom line is a summary of the previous of all eight pages there, pages 1-8 and you can see for instance we look at the bond fund total, \$5217677 that ties exactly in to the CIP Ordinance. The parks number \$2559222 shows the special trust fund for parks and playgrounds and again, you can follow that all the way across the various funds to get to the total that is reflected in the CIP budget Ordinance.

Chair Furfaro: Let's make a note, we had discussion on this, the park fund does not roll into the CIP number?

Mr. Dill: Oh, okay.

Chair Furfaro: So everybody is trying to balance to what you just said but the park fund is in a trust account.

Mr. Dill: And then you see we have two additional columns on the far right on the large spreadsheet, where we received some grants and non-County funds. And we add that to the total of \$68 on the spreadsheet. That is not shown on the Capital Budget Ordinance because it's not County funds. So I want to make sure that we have a level of comfort that the spreadsheet reflect what is in the CIP budget Ordinance. Any questions? 2:03

Chair Furfaro: Vice-Chair Yukimura and then Councilmember Nakamura.

Ms. Yukimura: So the park fund, which is your second column after bond, is that the park enhancement fund from spouting horn? Or it's the parks and playground fund? I'm sorry.

Mr. Dill: There is a special trust fund for parks and playgrounds.

Ms. Yukimura: I see. And the big fund that we really don't have is the park enhancement.

Chair Furfaro: It only shows up in the CAFR in the audit book. Okay, Councilmember Nakamura has a question for you.

Ms. Nakamura: In the column that says, "grant/SRF" does that include both state and federal funds?

Mr. Dill: Yes.

Ms. Nakamura: Thanks for putting it in the spreadsheet, because it gives us a clearer picture of the amount of dollars that you are managing. Thank you.

Chair Furfaro: You like to hear that don't you? Good job, Larry.

Mr. Dill: Thank you. Okay, any other questions on what I presented so far?

Chair Furfaro: No, let's roll into it.

Mr. Dill: So we'll be presenting based on our spreadsheet, and that is essentially the order that we have provided to you for the schedule. What we'll be doing is on the spreadsheet you will notice we have identified in bold and with the words "proposed CIP," all areas where there are changes from previous budget ordinance to the current one. So everything else is simply a carry-forward from the previous budget ordinance, okay? So on the large spreadsheet, you will see that we have some bolded projects, and it says, "proposed CIP," so basically these are all of the changes that we're talking about. Out of those bold ones as I mentioned earlier are brought forward and summarized on pages 9 and 10. So if you look at 9 and 10 you will see all the bold projects, all proposed CIP. So this summarized all of the changes. When we go through our presentations for public works, we'll be referring to basically these projects for consideration as new inclusions or new changes to the budget. Of course we're open to any questions that you have, but we want to focus on the new changes that we're talking about and then again, of course, any questions that you have on any of the projects, we're happy to address. Okay?

Mr. Bynum: Chair? If I could use one as an illustration to make sure I understand.

Mr. Dill: Sure.

Mr. Bynum: I'm looking at page 9, right at the beginning of highway projects.

Mr. Dill: I'm sorry, which project?

Mr. Bynum: Right at the beginning of "highway projects."

Mr. Dill: Yes.

Mr. Bynum: It says, highway projects it says "proposed CIP Aliamanu Road erosion minus \$3 million."

Mr. Dill: Correct.

Mr. Bynum: The next one, so basically it tells me that what used to be \$3 million for that is now \$3 million for these three projects?

Mr. Dill: That is correct.

Mr. Bynum: Okay. Thank you.

Chair Furfaro: Okay. Mr. Dill, since you have launched us on this new format for the next three years, you also know that means you can't leave. Okay, so please get us started.

Mr. Dill: Okay. No comment. So as our first set of projects, the wastewater project for the Wastewater Division, I will turn it over to Ed Tschupp the Chief of the Wastewater Division.

Waste Water Division

EDWARD TSCHUPP: Good morning, for the record Edward Tschupp Chief Wastewater Division and thank you for your attention on our proposed CIP. As Mr. Dill just identified you will note that the vast majority of what is on this table in the divisional funding is carry over projects from prior years and there is only one bold item, which would be the proposed CIP of facilities reserve. That is a sewer trust fund, and it has been our desire over the years to have a facilities reserve account that had funding in it, in the event that we have some kind of good-sized problem that we immediately have to deal with. We do try to deal with thing as they come up out of operational funding. If we have any funding that we can put to something out of our operations, but then if something big happens, then it is very prudent to be able to have a source of funding that we can apply. We have tried to maintain that at a level of about \$1 million and so this year, over the last year, we specifically the project that came up was the recoding and repair of the force mainline on the Wailua Bridge that because the Highway Department was doing all of that work on the Wailua Bridge, we looked at the pipe strapping and hangers and were concerned that they needed some work. So we put money to that project, and now we're essentially asking to bring that fund balance back up to the \$1 million.

Mr. Dill: If I May, to help clarify, also introducing to you another spreadsheet that we provided. This one is titled "CIP Recap." and you have that in your binders as well. It is dated April 11th, 2012. What this CIP recap does very broadly is that it shows the CIP budget appropriations for fiscal year '12 and shows what happened between there and what we're requesting for fiscal year '13. The reason I bring it up to you, because if you look at the line item we are speaking about the (inaudible) reserve sewer trust fund fiscal year 12, we had a little over a million dollars. We had an expenditure from that account and we're requesting to make that account whole again, basically to the level we like to keep it at for these sorts of projects.

Chair Furfaro: Mr. Bynum?

Mr. Bynum: I think I'm getting there, because on this big spreadsheet, it says, "559," and total \$1 million?

Mr. Dill: Correct.

Mr. Bynum: But there is no column that says where the other 559,159 comes from and then I got to go to this spreadsheet right?

Mr. Dill: Where?

Mr. Bynum: On the big spreadsheet, the item we just talked about shows \$559,159 and the far right the total is \$1 million.

Mr. Dill: Correct. Oh, I see what you are saying.

Mr. Bynum: There is no column that tells me where that additional money is coming from.

Mr. Dill: You are saying the difference between the \$559 and the \$1 million,?

Mr. Bynum: That's the 44841?. I see okay.

Mr. Dill: So the 440 is the current balance in that account.

Chair Furfaro: Mr. Bynum, are you okay with that?
Mr. Bynum: Thank you.

Chair Furfaro: I just want to make sure I'm hearing you right. It is the desire of engineering to hold that as we go forward, around \$1 million, is that right?

Mr. Dill: Correct.

Chair Furfaro: Okay, Vice-Chair Yukimura.

Ms. Yukimura: I think it's very commendable. It's like our discussions about a reserve for the whole budget, the whole county budget. It's like the hurricane reserve that the state is talking about. So my question is when you use that money for the Wailua project, did we do an appropriation bill to move the money or is it a decision that you make? Who makes the decision how the reserve monies are used?

Mr. Tschupp: In that case, because it was an intergovernmental agreement between the county and the state department of transportation, essentially we went through the director of finance and requested use of those funds, which he then approved. So it didn't, in that case, it did not come back to Council specifically.

Ms. Yukimura: And there is a provision in our law that specifies how that is done?

CLINT SAIKI: Clint Saiki Public Works Fiscal, one of the reasons we did request this facility reserve was to expedite response to emergencies when we have capacity issues with our aging infrastructure. And it would help us respond to the emergency faster. That is the reason why we set this fund up. Of course, we would be reporting to you on a regular basis, when we do reflect expenditures during the budget process.

Ms. Yukimura: So the report back is during the budget process?

Mr. Saiki: At this time, unless the Council requests something different in a proviso, we could definitely report it on a more frequent basis.

Chair Furfaro: Well I think we have to be very careful with Wastewater, because if we have a spill, especially one outside of the plant, immediately we're in the fine circle with EPA. So the reality is that we do want you to respond quickly. Mr. Bynum, you have the floor.

Ms. Yukimura: I wasn't finished. I'm

Chair Furfaro: I'm sorry.

Ms. Yukimura: I totally agree with what the chair said. I don't mind that the reserve fund is used when it needs to be used and I do recognize in the case of sewer. So it's like the \$5,000, I think, that we set aside for disaster that the mayor has immediate access to. \$50,000 that is in the same nature.

Mr. Tschupp: Fundamentally, if there is an emergency, it would come to the director of finance for an emergency approval to go out and procure something, and an emergency declaration under that process fundamentally, there isn't time to come to council for that type of funding so if we need to come back with a money bill later or whatever that would be the normal process.

Ms. Yukimura: Thank you

Chair Furfaro: Mr. Bynum, you have the floor.

Mr. Bynum: And this facilities reserve fund has existed for a long time?

Mr. Saiki: We have established that fund about two years ago, I believe.

Mr. Bynum: So last year there was significant expenditure. I get it. And there are other reserve funds that the administration can use at their discretion in this CIP?

Mr. Saiki: Not that I'm aware of. There is a project contingency, that is similar in nature, but that fund requires us to come back to this body before we expend funds.

Mr. Bynum: I trust that Ed needs \$1 million before coming over here and I'm sure it will be used well and you will have to tell us about at least at budget. Thank you.

Chair Furfaro: Mr. Rapozo, you have the floor.

Mr. Rapozo: Thank you, I just want to expand a little more on Councilmember Yukimura's question, because I agree that, that fund should be setup that way and I think the question Councilmember Yukimura asked was where was that authority and if it exists and if not, we definitely need to put in a proviso. I completely agree you should have that complete authority to expend that funds down in case of emergency, but I want to make sure that within the bounds of the charter and the law and if, in fact, we need to create that proviso, we can do so, because I'm not aware of any expenditure of funds in an account like this that would not require Council approval. So I'm not sure what separate authority exists and if, so we need to know to create that proviso in this budget Ordinance.

Chair Furfaro: For the clerk, I hope you heard those comments. I remember after that big rains that we had several years ago, and we had some problems at Lydgate, I think this was a consequence of making sure that money was available. The request is to make sure that the appropriate verbiage is in a proviso for the budget. Vice-Chair Yukimura.

Ms. Yukimura: Yes, I think that request will be made and I just wrote it down, too. It might be good to have you report back within 60 days though of the expenditures, just as a matter of practice. So we'll just take a look at that enabling document. Okay, thank you.

Chair Furfaro: Ed, you have the floor if you have more to your presentation. If not, I will ask questions from members.

Mr. Tschupp: No, the focus is primarily on the new requests.

Chair Furfaro: Okay. So as you know, we're confirming what we heard, \$1 million in reserves and we're going to look to build a proviso and on that note, Mr. Rapozo you have the floor.

Mr. Rapozo: Okay. I think you know what I'm going to ask about Cocoa Palms. The first item. I know I got excited when I saw it on the top, because I figured priority, but then as Councilmember Nakamura and I discussed it's in alphabetical order. So where are we on that project? I saw the PID and I see it 6 months after consultant blah blah, is that something that is going to happen this year.

Mr. Tschupp: I have recommendation for a contractor award for the design services into the Director of Finance for that project right now.

Mr. Rapozo: Beautiful. And the only other thing is on -- this is really minor, but I think I just want to make sure one of these figures were off a dollar. I'm trying to figure out which one it was now. I'm not sure if these spreadsheets are merged together in one big program, which is individually done. But anyway, I guess I missed it. You can go on, Mr. Chair, I will find it and give it to them offline.

Chair Furfaro: Joann.

Ms. Yukimura: (inaudible) with this money of \$350,000, which is in the existing CIP and I'm looking at your project initiation document, do you expect you will solve the problem?

Mr. Tschupp: Well, that remains to be seen. I am hopeful, because we have done some preliminary development work on systems that appear to be pretty effective. We are working with the consultant that we're just about to bring on board to identify what looks like a pretty good system that might be able to be solved within this budgetary allocation. It's a little premature at this time to determine whether or not the funds will be adequate. But preliminary indications are that that May be adequate, maybe?

Ms. Yukimura: Do you know the source of the problem? Was it a design problem or just the fact that the facility is very old?

Mr. Tschupp: There is a fair amount of complexity to an odor-related problem. The simple statement that I can provide is that the sewer system coming down from Kapa'a has some significant residency time between the pump station -- it's a long system and a pretty big pipe and there is residency time of the sewage moving through that it goes septic and that is where you get h2s type odor problems developing. If we had a lot more water going through the system, we would have fewer problems. But it's the geometry and layout of the rather extended sewer system that shows up as an odor problem at that location.

Ms. Yukimura: Well, you know, we have been looking at development around Mahelona and when we do the Kapa'a-Wailua Community Development Plan, there will be all of these issues of growth. If the system is going to feed into that line, that is the mainline; right?

Mr. Tschupp: Correct?

Ms. Yukimura: Coming from the far ends of Kawaihau into Wailua, is more volume going to help or are we going to have a problem that -- are we going to have a bigger program?

Mr. Tschupp: I think more volume would help. More volume would mean that pumps would be pushing more water through the system and it would come through faster.

Ms. Yukimura: All right. So those pipes are pretty old. Some of them were installed during my time as Mayor. I mean, are we aware of the quality and the aging of those pipes, so that they are pretty good and can handle increased volumes?

Mr. Tschupp: The size is plenty adequate.

Ms. Yukimura: That is good.

Mr. Tschupp: But the mainline coming down from Kapa'a I believe was installed in the '90s, so relative to the age of pipes, that is not terribly old. We can't see it, because it's buried.

Ms. Yukimura: There must be a way to test the functionality of pipes that are 10 or 20 years old. Are you doing that to anticipate when you have to do repair or replacement like water must have done that at some point? Or to you just judge by leaks?

Mr. Tschupp: That is what is known as a "force main," it is a pumping system, so like the Department of Water pipes, it's pressurized all the time. We have got cameras to video the gravity lines, but we can't readily video that line. We do have the program of inspection of our manholes and gravity lines. We try to keep up with that pretty aggressively.

Chair Furfaro: Can you come back when we're closer to the bids? Because understanding the sewer, whether it's the pressurized line or gravity-fed line or the level of bouquet that comes out of it should be something that you can report back to us when we understand how the project bid went.

Ms. Yukimura: I will ask a question in writing.

Mr. Tschupp: Okay.

Chair Furfaro: I'm not asking for the question in writing. I'm asking him if he will be prepared to come back to us to discuss this item.

Mr. Tschupp: I certainly can come back to discuss it at some point of convenience.

Chair Furfaro: Councilmember Nakamura?

Ms. Nakamura: Thank you, Ed. I wanted to make a suggestion. This is really more departmental-wise. I think that this CIP recap document to me is really helpful but I think it would be helpful also to organization the projects in a different way, because right now it's shown alphabetically and the way I think it's helpful for decision-makers is to show projects that approaching completion or completed. It would explain why some of the numbers in here like \$299

for Hanapēpē-‘Ele‘ele or Waimea Wastewater \$6,000 that explains why it is so low because you are on the tail-end of the project?

Mr. Tschupp: We have a few special district trust funds. And that is a constant thing that I almost have a routine answer that is a fund; that is not an actual project. So the origin and history of some of those regional trust funds I'm not even sure of. I would have to defer to the Director of Finance.

Ms. Nakamura: Then maybe we should revert to the format used by the Housing Department, because they use state and federal funds for a lot of their projects so we can see the different sources of funds that go into these projects, but maybe's it's somewhere else.

Mr. Dill: Councilmember Nakamura on the large spreadsheet we provided shows how the projects are funded by fund and if this are any outside funds, grants or SRF, it's shown in the right-hand corner.

Ms. Yukimura: The County funds he is talking about.

Ms. Nakamura: You are talking about -- well, I'm not sure if this captures what Ed is talking about. Because all it is showing is one outside grant for the Waimea Wastewater Treatment Plant.

Mr. Tschupp: That is the only active one we have right now.

Mr. Dill: That is the only active one we have at the moment.

Ms. Nakamura: Oh, that is the only outside fund?

Mr. Tschupp: In Wastewater there are a couple of interim agreements that we will be getting SRF funding on. One of them is for Wailua Treatment Plant Project.

Mr. Dill: We don't show those until they are actually executed and then we include them in this presentation.

Ms. Nakamura: Okay. So if we could show projects approaching completion or complete, the ongoing projects and then the new projects in those different categories. That would give us a better sense of what your priorities are. And

Mr. Tschupp: And I would also suggest that would give you a better understanding of the project execution looking through the projects that are in here and if you where to compare it to last year for example 'Ele'ele Wastewater Treatment improvements and renovation last year was a much bigger number and that project is under construction at 95% complete and this \$62,000 shown on the spreadsheet as bond funds is the residual remaining funding for a project that is at 95% complete.

Ms. Nakamura: Right. So that is just a request for in the future and also I think it would be helpful, not so much with this set of projects, but some of the others that because we're doing the first phase and design phase and still don't know the long term capital cost are going to be construction costs and we also have another column that shows the future construction cost needs are, which will help in capital improvement planning, just overall planning for the future and maybe that is tied into the CIP process, but I think it would be a helpful tool to have. Since some of them are just in the design phase. Ed, this is a question that has to do with

these improvements that you are showing, a lot of them are maintenance. Do some of them increase capacity as well?

Mr. Tschupp: Some of them increase capacity and some are maintenance. Going through the list, I would characterize Cocoa Palms as maintenance type activity and 'Ele'ele's current phase is maintenance, but the next phase will be some capacity increases. The laboratory renovation is maintenance. The expansion project is clearly capacity-building. So it's a mixed bag.

Ms. Nakamura: Thank you.

Chair Furfaro: Before I recognize Mr. Bynum, for Wally, he is in the audience and Ed and Larry I do want to let you know as I pointed the question out about the reporting on any emergency funds the proviso exists in the budget and you have ten days from procurement to report to the council through the Finance Director. That proviso exists. Mr. Bynum.

Mr. Bynum: Hi, Ed. I'm going start with a comment and I have one question and I think I'll be real quick. At Kinipopo Shopping Center Which is near the Cocoa Palms Lift Station, there is almost constantly odor in the street from the manhole there. I have talked to you almost every year for five years. There is a bakery there and a place get your haircut and a Mexican restaurant and it almost constantly has odor from the manhole right there. Is there anything that we can do about it or are we just going to live with that forever?

Mr. Tschupp: Well that I view that as part of the scope of the evaluation that we're doing the design work that we're just in the process of awarding to the consultant. There is a pretty small sewer system in that shopping center. It's surrounded on both sides by sewer system. It's a small gravity system and it is all, in my mind, part and parcel of solving the problem at Cocoa Palms pump station on the other side of the highway is probably the same solution that goes into effect over there. So we May end up seeing how it works at Cocoa Palms and then that same solution across the street.

Mr. Bynum: So I can tell the owners of the bakery there that their customers are just going to smell that odor at least for the next couple of years.

Mr. Tschupp: I think that if a lot of what is going on at the pump station is certainly contributing to the air quality in that general area, so if we can solve the pump station we both A) know that the technology works and that the solution is good anything that we do at the pump station will also help across the street.

Mr. Bynum: This is the project we talked about three years ago or more about putting bugs in the system and before it gets to the treatment plant?

Mr. Tschupp: No, we are actually looking at a different technical solution than that. That one --

Mr. Bynum: So there might be some relieve in ten months? 18 months?

Mr. Tschupp: Yes.

Mr. Bynum: 10 months? I will check in with you. The other question, Waimea funds are all expended. Congratulations on a really good project there, but then

there is a second line item of state revolving funds of \$99,000. Is that because there is some more to do there or will that \$99,000 just stay there or go somewhere else?

Mr. Tschupp: I think that is a remaining balance of the SRF funding allocation.

Mr. Bynum: So what happens to that remaining balance?

Mr. Tschupp: Well we're still under construction on the SRF portion. So there is contingency funding.

Mr. Bynum: Thank you very much.

Chair Furfaro: Okay, Members I want to share with you, we have 9:30-4:30 today. We are on Wastewater and we still have solid waste to go, engineering, automotive, highways, building, parks, housing and economic development. Do we have budget questions right now for the Wastewater Division? Go ahead, Mr. Kualii.

Mr. Kualii: Thank you, Mr. Chair. I think that when we get bogged down in the minutia of specific projects that is where we spend too much time. For me this division is presenting the one item, the facilities reserved that is the change and I just want to have a sense of the rest of the stuff that you are saying that remains the same. I have the same request that Councilmember Nakamura has is that if this was formatted with more meaningful information than I would have what I need. That specifically means with all of these other projects, basic detail like you have the project name, who is the project manager or lead? When was the project started when it is expected to be finished? If it's not started, when is it expected to start? So the estimated start and estimated end. The amount of monies that you started with, how much has been expended so far and what the balance is? Just some of that basic information, so that I can track not only the approvals of monies going forward, but how the project's timeline is and what the project's budget schedule is as far as what was spent. And if this Cocoa Palms, \$350,000 no change, \$350,000. Does that mean -- and if it's maintenance, does that mean is that what we spend every year? Or does that mean something from last year that wasn't spent at all and we expect to spend next year to get the project going next year? Is that what it means, the latter?

Mr. Dill: This is a capital budget request, so any operating requests are made in the operating budget. So this wouldn't be a recurring request for every year (inaudible). That would show up in the operating budget.

Mr. Kualii: But was this \$350,000 requested last year and nothing was done it so you are requesting it again this year?

Mr. Dill: Yes, as I mentioned earlier all of these items that are not bold are carryovers from last year. We provided in the spreadsheet with the same information, project managers, and estimates start and end dates.

Mr. Kualii: What spreadsheet?

Mr. Dill: This was provided to you back in February from a request made to us.

Mr. Kualii: That is tied to us that we're looking at today the dollars and cents?

Mr. Dill: There would be updates dollar wise?

Mr. Kualii: If we got that in February, can I get a copy of that?

Chair Furfaro: Larry, just to make sure, when we go through this particular project book, WW which stands for "wastewater." you turn to the project page, the PID. it gives you the summary and project scope, the exclusion from the scope, the deliverables, the expected dates, what was executed? So I think I just want to reiterate to all of the members that we'll go through these pieces. Make sure you go to the WW facing up, because these are documents that we have had recently. And if you read the other way, it doesn't stand for any Mikey Mouse kind of deals, okay? It's WW. It covers the scope, the background, the purpose and objective and so forth. and that is what you should lead members to, okay? Please take advantage of the material answering these questions because they are extremely important to Councilmembers, I think Mr. Kualii is making that point.

Mr. Kualii: I didn't finish making my point.

Chair Furfaro: Yeah, I'll give you the floor back but I want to make sure we all understood before we got tied up. Use your project management books, too, they answer a lot of questions. You have the floor, Mr. Kualii.

Mr. Kualii: Thank you, Mr. Chair. The only thing I'm saying is that maybe this is what we have to look forward to when we have a more comprehensive software system, you know, going forward? But yeah, the PIDs are all there, and you know, you are putting how many projects before us? Many, and the each PID averages 3-5 pages and there is all the detail there, but in summary form in one report, like you have done with this, would be very helpful. And I'm sure you have it and there is a way to generate it and it report it and if not, in the new software, hopefully there is. Thank you.

Mr. Dill: With the new software, there will be a lot more utility.
We can customize reports.

Chair Furfaro: On that note, I want to make sure I was making reference to these project books for the members if they exist and at same time I want to remind them that the PID documents are confidential, because they could give us exposure on bid practices. So keep that in mind as well. Okay?

Mr. Kualii: Thank you, chair.

Chair Furfaro: You are welcome. Anymore for Wastewater? Ed, we're going to call you back on some of the questions raised by Vice-Chair Yukimura, as well as Councilmember Nakamura and Rapozo on the update of the lift station that is going to get some attention soon. Okay? Mr. Dill, who is next?

Mr. Dill: Solid Waste.

Chair Furfaro: Ed, thank you very much. Troy if you can start by introducing yourself.

Solid Waste

TROY TANIGAWA: Thank you, Council Chair, Troy Tanigawa, Division of Solid Waste Management for the record.

Chair Furfaro: Do you have a Power Point? I don't have to move?
Okay.

Mr. Tanigawa: I am referring to a spreadsheet page 1 of the spreadsheet shows Solid Waste projects about two-thirds the weigh down. Under bold text the first item new landfill and resource recovery park development/acquisition that appropriation is remaining balance for I guess our development process. Right now we're in the planning stage. We have consulting contract out now for development of the environmental impact statement to satisfy Hawai'i Revised Statutes 34-3, environmental review process. We are a ways into the project. The consultant has completed the initial phase and we're about to move into the actual development or steps that will lead to the development of the EIS document, more specifically, about to be scheduling public scoping meetings in different communities on the island. The next item is Kekaha landfill lateral expansion cell 2, construction. This is a new item we're requesting this year specifically the amount shown \$8 million are for construction of the cell 2 base liner, as well as other infrastructure improvements to be able to certify and permit cell 2. The next item, Kapa'a Refuse Transfer Station reconstruction plans and design, that item for this year is being zeroed out. We're actually using some funds from that for the next item NPS compliance plans and design. We're actually going to be putting as a higher priority some improvements at two facilities to help us protect the facilities better and help us comply with storm water discharge requirements, as well as industrial discharge from those facilities on a regular basis. And now I will open it up to questions.

Chair Furfaro: Okay Mr. Bynum then Vice-Chair are you next, is your mic on for questions? So you will be after Mr. Bynum.

Mr. Bynum: I want to use this as an example, so I was quite surprised to see the Kapa'a Refuse Transfer Station zeroed out. When I refer to the PID, there is a deliverable timeline in the PID so am I to assume that none of these things have occurred?

Mr. Tanigawa: Correct.

Mr. Bynum: And so this is just fundamental stuff and if I'm wrong, please correct me, but we identified this Kapa'a Transfer Station as a priority. We funded it. I sit here with the assumption that those plans are moving forward and I can access the PID that tells me that we're going to secure an engineering consultant to plan and design construction in December of 2009. That hasn't happened?

Mr. Tanigawa: No.

Mr. Bynum: And that is just a total breakdown of this information. I learned today in essence that this project I thought was beginning construction in July of 20... complete construction mark 2012. So I have been aware of this as a priority since 2009. And if I consult the documents that are available to me, I'm anticipating the blessing of the new transfer station last month and I discover this morning that no, this isn't a priority after all. We haven't done any of the things that these documents said and we don't intend to at least in the near future, at least in the next fiscal year. We're not even going to begin this project. I think this clearly illustrates my five-year frustration with not having a handle on management of CIP. So I am disappointed. It's like people in Kapa'a and the Council is not the constituency. The constituency is the citizens who watch these meetings and assume when funding gets made and commitments get made and documents that that is what we're doing. I think this is a great example of...it's news to me today we have abandoned that as a priority.

Mr. Dill: Saying that we abandoned it as a priority is not accurate because...

Chair Furfaro: Excuse me, Larry, I want to add to . Tell us why it's been delayed, okay? For somebody like myself who goes with the administration to borrow money for capital plans and so forth. Now granted, about 65% of our time is directed at proving that we have a good balance sheet and we have got revenue to pay the bond and so forth, but some of the projects that we put in the bonds get changed periodically. I guess the piece that we would all like to know and I didn't hear Mr. Bynum ask it, but I am sure he was getting to it was why? Why? What has changed?

Mr. Tanigawa: Thank you, Councilmember Bynum and Council Chair. To address the question directly, since the time the funds were initially appropriated, direction on the project has changed and more recently to more of an extent, because sitting of the landfill was the primary reason for this project being put on hold. There was a suggestion that potentially this development could go on into creating and expending funds for a newly refurbished facility in an area that quite possibly this facility could have been displaced by the landfill. So since the time the funds were appropriated, the priority shifted on the development of this facility. And now there is a higher priority with the current facility to construct improvements to manage properly storm water and daily discharge while this landfill process, this sitting and identification process is ongoing. Until we come up with a firm site for the landfill. At that point in time, I think better decisions can be made on extending funds to improve facilities like this one. In the meantime, we're just going to look at making sure that we have sound facilities and capabilities at the site to ensure regulatory compliance.

Mr. Bynum: So I just want to follow-up on this and I don't mean to beat a dead horse, but it's news to me today that this priority changed. We have gone through a couple of budgets where the money was in there so and then I say hey, I want to have real time updates on the status of these projects? Oh, consult the PID. So I do because that is what I have; right? And so in my mind, you guys -- well, not Larry, you probably don't remember, but this was a big political football, the Kapa'a refuse transfer station had illegal dumping happening. It was terrible. I mean, you see the pictures from that era, it was trash and an issue at this council for months. And finally the synergy got there and vast improvements happened. Fencing went up and the area got cleaned up and it's been looking pretty good ever since, Troy, yeah? There were problems with oil and EPA fines and the community said hey, we would like to recycle there and we could like to do this. So that is what I remember saying okay, let's put some county resources and redo the Kapa'a transfer station right in the middle of the heart of our highest concentration of citizens. Good news we got it cleaned up, and operations improved where it's not something that you are embarrassed by when you drive by, and so kudos for that because it has been every time I go up there, it's been in good shape. So I don't know how we resolve this. Hopefully the software will do that. Maybe we need a quarterly Solid Waste updates and just go down the list. Have priorities changed on this project? Have priorities changed? Because I really thought we would see construction up there soon, because that is what the PID tells me. You don't see all of the planning and the consulting and stuff that goes in and for those of us to have the PID is 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 timeline landmarks. Okay, I'm done.

Chair Furfaro:

Vice-Chair Yukimura and then Mr. Chang.

Ms. Yukimura: I'm trying to understand the reasoning. Are you saying that because we're going to have a new landfill, maybe in Kapaia, we won't need a Kapa'a transfer station?

Mr. Tanigawa:
and...

The site identification process is not completed yet

Ms. Yukimura: What does it have to do with the Kapa'a Transfer Station and whether you are upgrading it or not? On top of that, why is there no PID for the new landfill?

Mr. Tanigawa: It was identified in integrated Solid Waste Management Plan that certain facilities could be discontinued with the sitting of a new landfill. If you look --

Ms. Yukimura: So the answer to my question is yes. We might not need a Kapa'a transfer station if we have a new landfill.

Mr. Tanigawa: Depending on where the landfill is located.

Ms. Yukimura: If it's located in Kapaia.

Mr. Tanigawa: There are eight potential sites and one of the potential sites is located in the Kumukumu area. Just outside of Keālia..

Ms. Yukimura: And how likely is ... and so is the fact that we might not have a Kapa'a transfer station because we might have the landfill in Kumukumu?

Mr. Dill: Yes, that is correct.

Ms. Yukimura: And if we have it in Kapaia, will we need a Kapa'a transfer station?

Mr. Dill: Likely, we will.

Ms. Yukimura: And we're going delay until we make the decision. We're going to delay whether or not we spend money on the Kapa'a transfer station?

Mr. Dill: Yes.

Ms. Yukimura: Okay. That is what we want, a clear answer, okay? And that is the problem of not having sited our landfill for the last 20 years. That everything else gets hung up.

Mr. Dill: I agree with you.

Ms. Yukimura: So then what...and you know what this is a planning problem. It's not a software problem and having new software is not going to solve the problems that are coming up now. So the new landfill resource recovery park acquisition, that you are misusing \$1 million from, where is the PID for the new landfill resource recovery park am I missing something?

Mr. Tabata: No. 2. Lyle Tabata, for the record, Deputy Engineer. It's the second PID in the packet under "solid waste"

Ms. Yukimura: I don't have it. The second one is construction of Kekaha landfill lateral expansion. I only have four PIDs Kekaha landfill closure 2, Kekaha lateral expansion.

Mr. Tabata: I'm sorry, apparently it was inadvertently left out and one is being re-duplicated.

Chair Furfaro: It is being processed right now. Let me ask Members, when we go into different Divisions, let's focus on one project rather than jump from project to project then go to the next and so on. Larry, I really appreciate your comments as simply no, we haven't done that is fine, then let's move to the next one. But I'm going to ask Members to kind of stay focused and one project at a time that we can keep it off the checklist. Councilmember Yukimura, is that okay with you? You still have the floor?

Ms. Yukimura: So what you are saying is that we're on the Kapa'a refuse transfer station and I have finished my questions on that, I think.

Chair Furfaro: Okay, I will give the floor to Mr. Chang and then Mr. Rapozo?

Mr. Chang: You know I think I'm going to pass, but can I make a fast comment, Mr. Chair?

Chair Furfaro: A fast one? Go ahead.

Mr. Chang: I will try to make a fast comment. I just want to say that I will agree with Councilmember Bynum and the reason that I say that is as I go down stream, I see a lot of other projects that have been zeroed out, many of which are very important for the community and my only concern is that I don't even think that a lot of the community members might know of projects that is getting zeroed out and it has been true and dear for them for years, and I am not going to mention the projects because I feel bad because I have been on the Council for three years and those were priorities then and priorities prior to me getting on. So I wanted to make a comment regarding that, because I don't know if the public was even informed that the projects that they have been monitoring for many, many years are now being zeroed out. That is the comment I wanted to make.

Chair Furfaro: I'm going to add to your comment. Please, for administrative department heads and so forth, please understand we negotiated with the Mayor the opportunity for lack of any other term, I'm going to call it "key customers." Solid Waste, Mr. Rapozo is your key customer. You should find time to have a cup of tea, coffee, or cocoa, whatever he drinks at least once in awhile. It's really important. Councilmember Nakamura is the key customer for planning. Okay? George Costa, his key customer is Dickie Chang. You know? Because information is important for the body here and if I know you are engaged with your key customer, we can resolve a lot of this, so let's try and do that, Troy, if you can. Call up Mr. Rapozo and see if we can have a cup of coffee. Mr. Dill, you had your hand up, go ahead, you have the floor.

Mr. Dill: Just in response to Councilmember Chang's comments. It's true that we show funding zeroed out for several projects here and that could be for a couple of reasons. One would be reflection of the completion of the project and also, other reasons are because we have not "abandoned" those projects but we are deferring them to a future fiscal year. So please don't take it that because we are moving from this fiscal year that we don't fully intend to do that project...

Chair Furfaro: No more dialog on that. The floor was given to Mr. Rapozo he let me intercede about key customers so you have the floor. Okay you got your answer Dickie?

Mr. Chang: Yes sir.

Mr. Rapozo: Thank you and just for the chair and everybody's information, Mr. Dill we do have a standing meeting every month with Lyle and its actually they don't buy my coffee, but we meet.

Chair Furfaro: Shame on them.

Mr. Rapozo: We meet here and we offer them coffee. It is a very productive opportunity, the challenges and this is tied back to the Kapa'a Refuse Station, we don't know what we don't know. The question I have regarding the Kapa'a Transfer Station is when we look at the PID, and when this Council and I believe I was on the council when we first appropriated the funds. When you look at a couple of things that I look at and it's really what is the need, the risk, and in section 2 under the business case, the projects benefits really is to be in compliance with state law, but the more important concern is when you go to the next page under cost-benefit analysis, it says inaction will expose the County to liabilities as follows, fines and citations for violations to existing permits from department of health and EPA, unsanitary, unhealthy environmental conditions, environmental pollution, and potential demoralization of the public due to a perception that the government is indifferent to the public's needs and so forth. My question is there was inaction so are we exposed to those liabilities that were defined in the PID back in 2009. Just ironically the one you just passed out regarding the cite and construct a new municipal solid waste landfill the cost benefit analyses is identical.. It is exactly the same so I am assuming this is standard but my concerns are we exposed because we have not acted on this project?

Mr. Tanigawa: You know, to a large extent, conditions at site have been greatly improved because we have instituted regular inspections and those inspections generate documents that we're able to distribute and follow-up on to the various responsible positions in the county. Secondly, the improvements that I indicated in this other CIP item, in PDS compliance, plans and design that effort will largely address concerns at the Kapa'a Transfer Station. Kapa'a Transfer Station is one of the facilities that we plan to address in other words with that PDS project. The other part of the Kapa'a Refuse Transfer Station, the former proposed project was that we're looking at expanding services. So in expanding services, we would also include putting in place measures for those new areas to address the similar problems that we're looking at just for a mixed waste portion right now, so to answer your question we addressing the immediate concerns.

Mr. Rapozo: The real questions are, are we in compliance? Have we received any violations from EPA or department of health?

Mr. Tanigawa: We have received some letters from the department of health indicating that there are some potential violations.

Mr. Rapozo: At Kapa'a?

Mr. Tanigawa: At Kapa'a. We addressed them and we're continuing on an ongoing basis to pay more attention to those things, to keep us in compliance.

Mr. Rapozo: Okay.

Mr. Tanigawa: The other thing about these improvements that we're looking at, it will make it a lot easier for us and provide assurances that we'll maintain compliance.

Mr. Rapozo: And that is my concern. Believe me, if things change, plans change, I am not going to sit here and micromanage and say, hey, you guys should have, would have, whatever but I think because of the constituents that Mr. Bynum talked about that we assure that we're going get one redevelop Kapa'a Transfer Station. That if we could be informed and Larry,

when we meet in our meetings, you can give me an update that I can pass on that probably would benefit us, because obviously we don't know. We don't keep track of this stuff.

Mr. Tabata: That is right, Councilmember, that is why we refocused that whole facility to what we identify as the problem area, and that is why the consequent submittal of this PID now for the NPDES compliance

Mr. Rapozo: Right and I notice and I really like the way you put on this chart the c, the d, the r, so we can... if it's a relocated project or combined project and maybe that would have qualified for a combined project that ... I don't know, I'm just ... because I understand where you guys are going with this and I think we leave it to your expertise to decide what is best for that facility and I think the NPDES they should have pick and acronym that you could say -- I think it would cover a lot of issues that are going on Kapa'a and I see the funding. So we should be okay. As long as we have a handle on those -- we got the letters and we have addressed them? We haven't had any fines? Okay. Thank you very much.

Chair Furfaro: So we're very clear, we have had letters, as Mr. Rapozo said, but we haven't had any citations?

Mr. Tanigawa: Correct, Chair.

Chair Furfaro: Okay. Does anyone have anymore questions about Kapa'a? Councilwoman Nakamura and then Mr. Bynum?

Ms. Nakamura: Just because the deliverables have now changed, will this PID be amended?

Mr. Rapozo: I think they we should just remove it.

Ms. Nakamura: Because right now you are showing project completion date of March, 2012.

Mr. Tanigawa: We'll take that back and see what we need to do to make it more current.

Ms. Nakamura: I noticed that some of these PIDs provide a lot of rich detail on completion dates and some are empty. So we'll point some of those out in the written correspondence, but it seems like that is important that is going to need to go into the software. So we can get this really great software, but if we don't have good data or accurate data plugged in, we're not going to have really quality results. So that is why, just kind of urge you to look at some of those dates, because some of them are blank. Thank you.

Chair Furfaro: Mr. Bynum?

Mr. Bynum: NPDES I know it is National Pollution Elimination Systems so I don't know where the D came from. Discharge. So this is a PID, this is a new one and I have been able to see that the format has changed a little bit, like this one has a drafted date and the older ones don't right. They don't have like a start date. This is one I can count on now, right? This is an active one, this is the timeline it says the first item is funding 7/12, that is right when we're going to have a new budget; right? So this is a new PID; right? And something that we have to do to avoid those fines, and back to the software discussion, 25 years ago when I was managing a bunch of employees for a County, they had to have training by a certain date, you know we establish these dates and this is 25 years ago, the software would give me these little alert, you are a month from

the date and it's not happening. I hope in your software there is some kind of an alert, hey, this deadline has passed and it's not accomplished, you know? That would key you to update it and that kind of thing. Thank you.

Chair Furfaro: Any more questions about Kapa'a Transfer Station? If not, Troy, next item.

Mr. Tanigawa: I guess we have covered them all and I guess we're opening up to questions.

Chair Furfaro: Now I will let the members know that they can probe questions from Solid Waste Division, but I want members to stay on the one subject until there are no more questions. If you pick Hanalei Transfer Station as an item, let's get all the questions for Hanalei Transfer Station done. Vice-Chair Yukimura, you had your hand up.

Ms. Yukimura: Thank you. My question is regarding the NPDES project. You say that it will address a lot of the things that Kapa'a Transfer Station -- first of all, which transfer stations are included in this project? All of them?

Mr. Tanigawa: No, all transfer stations -- well, let me just back up. The facilities included in that project are the Hanalei Transfer Station and Kapa'a Transfer Station.

Ms. Yukimura: Now that is not clear from your PID.

Mr. Tanigawa: We can take that back and look at to see how we can make it more apparent.

Ms. Yukimura: How you just use the Words Kapa'a, and Hanalei Transfer Station. Okay so I'm glad because Hanalei really needs that problem addressed, and I guess my question is it's related to this because you say that this will cover the needs of Kapa'a transfer station. Will it really cover all of the things that you mentioned about Kapa'a Transfer Station, like figuring out green waste issues? A lot of these things that are listed in your Kapa'a PID, will they actually be addressed in the NPDES project?

Mr. Tanigawa: It's our intent to address all of the problems that exist to comply with the National Pollutant Discharge Elimination System.

Mr. Dill: Specifically some issues have been identified for us, by consultants that may exist with NPDES compliance. So we are focusing on those so compared to Kapa'a, our reconstruction project that was a broader project this is focused on making sure that we maintain compliance in NPDES issues.

Ms. Yukimura: So this is related to my question. If you are going to, ..or my past questions. It depends on how you see the transfer station being used into the future. If you see them as also sites for recovery of recycling, and composting and hazardous waste, you are going to design the station in a different way for the future. In Hanalei, what is your future plans and needs for the Hanalei Transfer Station and do you even have enough land to do that? So it's part of this macro planning that I have been talking about in terms of what you're going to put up in at the Kapaia Landfill site or Kumukumu, if you say you might go there, and then what are the transfer stations going to look like? Because you are going to pour a lot of money into the existing framework and then say oh, but we want to do this and then we want to do this and then we want to do this and then you decide we need a new location and you are going to find a new location. This is

piecemeal planning. So what is the big Solid Waste vision for transfer stations for the next 15-20 years? Is that clear to us?

Mr. Tanigawa: You know, like you mentioned Councilmember Yukimura, we want to stay away from piecemeal planning. That is the primary reason why we have shelved the Kapa'a Refuse Transfer Station reconstruction project for now, and we put our effort and funds into addressing the more immediate problems that we see, that need to be addressed. at the same time in a parallel effort, we moved towards more complete planning, looking at the big picture involving all of our facilities.

Ms. Yukimura: So are you planning to have -- is it your goal to put the redemption centers and that kind of thing at every transfer station?

Mr. Tanigawa: Right now it's not.

Chair Furfaro: When can you have a plan for us?

Mr. Tanigawa: We haven't started ... I think --

Chair Furfaro: When can we have some discussion about this at a future meeting?

Mr. Dill: The intent of the Kapa'a Refuse Transfer Station reconstruction planning and design was to address all of these issues you are talking about.

Ms. Yukimura: I know and it's not on the calendar anymore.

Mr. Dill: Right, because as we indicated when I spoke to you before that subject decisions regarding the siting of the landfill. So I'm hoping the next fiscal year siting of the landfill will be resolved and we bring this back. Than at that point then we would look at all the planning needs as part of the planning and design for the refuse transfer station at Kapa'a.

Ms. Yukimura: So in the meantime, everything is held up in terms of what the transfer stations will do into the future or you are doing your planning transfer station by transfer stations, sometimes they will be redemption sites and sometimes there won't.

Mr. Dill: It will depend a lot on the limitations associated with the station as you mentioned Hanalei has a small footprint and so we may be looking for a new transfer station location on the North Shore and if that can't accommodate our future needs or it will be limited in the services it can provide or we'll look for possibilities of other locations where we can do redemption on the North Shore.

Ms. Yukimura: But then you have all of the NPDES recommendations based on a site that might change?

Mr. Dill: Yes, the reason for that is because we are aware of an immediate concern that needs to be addressed with regards to the compliance?

Ms. Yukimura: So this NPDES project is focused on immediate compliance and it's not going to be addressing long-term planning for the transfer stations?

Mr. Dill: Only focused on the NPDES so long term only in terms of the NPDES compliance.

Ms. Yukimura: So in our mind we're not just talking about what is on the list, but what is missing. So your intention in terms of the future of transfer stations and how they are going to be dove tailed with recycling efforts and other things. That is a discussion and planning piece that you folks will be addressing?

Chair Furfaro: Just tell me when, Larry, because this is a budget meeting. When will we be ready for that discussion? A year from now?

Mr. Dill: Well we don't have a plan at the moment to do an over view of the transfer stations.

Chair Furfaro: What if we had a meeting about the wish list of all the things that Vice-Chair is asking about.

Mr. Dill: Many things are ...

Chair Furfaro: Wait a minute you begin planning by putting things on the radar screen. I have opened resorts throughout the south pacific and you look for systems that can apply to the facilities, water, storage, tracking, roads, so let me rephrase the question. When could we at least start talking about identifying some wish-lists that should be part of the future plan?

Mr. Dill: These things are addressed in the integrated solid waste management plan that we do have.

Chair Furfaro: So are you telling me that we need a meeting to revisit the solid waste plan?

Mr. Dill: If you wish.

Chair Furfaro: Do you think it's a good idea? If not, Larry let's move on with budget. Okay, we are on the second item here of an eight item agenda

Mr. Dill: What I would suggest is Chair as Councilmember Rapozo mentioned we do have regularly scheduled monthly meetings with him and I would be happy to address some of these things in that budget.

Chair Furfaro: I understand that but Mr. Rapozo is a member that Chairs that committee. It would be in his committee and he would need to post something. Six months from now to review the radar screen? A year from now? Just give me a date.

Mr. Dill: I would like to discuss it in the context of our meeting with Mr. Rapozo?

Chair Furfaro: I can except that. Budget questions? Mr. Bynum?

Mr. Bynum: I'm finding this discussion useful in spite of my frustration. When there is a new PID that has current updated information, I find it very useful, because I can look at this and say you are asking for 185 and you projected construction costs of 400 and you have a timeline that says construction procure contractor construction improvements might happen July 13, so I can anticipate that there will be a request for \$400,000 for construction for this project the next fiscal year. This updated thing tells me who the team is, who is the support staff. It

tells me some of the major cost-benefits and so I do like this form and if its current; right? This one is current, because you just did it and I can learn all of these things from just looking at this. I don't have to call Troy or Larry or put it on the agenda for a meeting. But I have to know that this form when I consult it, it is current and correct. I don't think I will have other solid waste questions.

Chair Furfaro: This is for questions, so why don't you summarize?

Mr. Bynum: I really had this aha right. Back 25 years ago when I had a deadline coming the light would flash. It is like hey if a deadline passes on these, and it's not marked complete, I would like an alert. You have these five deadlines and on this date we'll be done with that and if that deadline actually passes, and somebody hasn't gone in and said pau we're on track. That would be the alert time. Does that make sense? Because it's not just like completion, date/start. There are steps along the way. Thank you.

Chair Furfaro: Okay I want to make sure when Mr. Bynum uses the term "aha." we're not referencing a meeting. It is not an Aha. I'm depending on Mr. Rapozo now through your meetings, Mr. Dill, to have some reasonable time when we can have some Q&A about the issues that Vice-Chair Yukimura brought up, so we can get them on the radar screen however you agree with Mr. Rapozo as a committee. Anymore questions for solid waste? Councilmember Nakamura?

Ms. Nakamura: Just a question on the Kekaha Landfill phase 2 closure, in the PID background, it talks about that the phase 2 expansion of Kekaha Landfill is estimated to provide an addition life of 6.3 years. Is that the latest estimates?

Mr. Tanigawa: That capacity estimate includes cells 1 and 2 of the lateral expansion.

Ms. Nakamura: And so that would take us to roughly 2019.

Mr. Tanigawa: Which PID are you referencing?

Ms. Nakamura: The Kekaha Landfill phase 2 closure.

Mr. Tanigawa: If you're looking at 6.2 years from now, that is actually not going to be accurate. We have already started with and are using cell 1, so some of that capacity in cell 1 has already been used up. So I think we're looking at about 2017.

Ms. Nakamura: So the background here so it's 6.3 years from 2009?

Mr. Tanigawa: No. Actually that has been updated. We had additional capacity in the existing or the original phase 2 footprint. We actually started using cell 1 capacity in 2010; in mid 2010 and as of April, the projection was that we had roughly April, 2011. we had roughly, I think it was 3.2 years or 3.1 years additionally left, so as of today, we're looking at roughly about two years of additional capacity remaining in cell 1.

Ms. Nakamura: So the expansion gives us how many additional years?

Mr. Tabata: Councilmember Nakamura, this is the frustration with the PID. It's not a living document and that is why we're looking at the software. When did we our solid waste presentation, we had a map that outlined

Ms. Nakamura: I thought it was 9 years.

Mr. Tabata: It was further updated, but we can get back to you on the exact dates.

Mr. Dill: But in response if you look at your first page in the background it says cell 2; 3.2 years I believe so you can see cell 2 we are requesting \$8 million as one of our line items and that cell provides an additional 3.2 years approximately after cell 1 is complete. finish years we talked about earlier concludes the potential vertical expansion. So real rough numbers 3 years cell 1, 3 years cell 2 and 3 years vertical expansion so that is what we were talking about previously.

Mr. Tabata: Which is the schedule on the last page.

Chair Furfaro: Would you do me a favor and make sure that is communicated to the Kekaha Community? So that they understand the longevity. You know three years of that longevity is including the use of the vertical. Just a friendly communication would be much appreciated to them.

Mr. Dill: At the Mayor's -- I'm sorry, go ahead.

Chair Furfaro: Go ahead.

Mr. Dill: At the Mayor's community outreach meeting in Kekaha, we shared all this information with them.

Chair Furfaro: So you are telling me that you will not fulfill my request?

Mr. Dill: No, I'm saying your request was fulfilled.

Chair Furfaro: I want it in writing to the Kekaha Community Association. As a courtesy to me. They were here today they said nine years but if we don't do the vertical, it's not nine years. So make sure that is spelled out. I think that is reasonable request. Now on the PIDs, that is not something mandated by us. That is something that the administration created. So if it has a short life span, hallelujah. I'm looking forward to the programs that have been presented to us today, and I think I have already heard cheers about that from Mr. Bynum and Madame Yukimura. Mr. Rapozo and then Mr. Bynum.

Mr. Rapozo: Thank you. I have a couple of questions. Just to clarify the PID, because the PID is really almost like your planning documents. Once you get funding, once it becomes funded than you are scheduling occurs and you can pretty much accurately dictate, but the PID is really just the?

Chair Furfaro: The Project Initiation Document that's what it stands for.

Mr. Rapozo: Right. So I appreciate the clarification that it's not a living document and doesn't update. My question pertains to your list of CIP recap. On the new land fill resource recovery park there is a \$4.2 million approved, expended was \$204,000 and encumbered was \$1.6 million for what have we expended what have we done so far? Is that consultant fees?

Mr. Tanigawa: I'm sorry, which item?

Mr. Rapozo: Third item, new landfill and resource recovery park. We spent \$204,000 and encumbered \$1.6 million and I am just too figure out...we're taking out \$1.1 Million from the bond; right? So what have we actually bought so far?

Mr. Tanigawa: Right now we have just over \$1.8 million encumbered under the planning and EIS contract.

Mr. Rapozo: Oh, okay the consultant.

Mr. Tanigawa: They performed work and to-date, well as of this sheet.

Mr. Rapozo: We paid them \$204,000.

Mr. Tanigawa: Yes.

Mr. Rapozo: And same question for the two below that, the landfill expansion cell 2 design is that the same? Is that a consultant?

Mr. Tanigawa: Correct

Mr. Rapozo: So it's about \$1 million and we already paid them \$112,000?

Mr. Tanigawa: I believe so.

Mr. Rapozo: Okay.

Mr. Tanigawa: 900 plus thousand.

Mr. Rapozo: That is all Mr. Chair.

Chair Furfaro: Vice-Chair Yukimura. Could you reference the documents?

Ms. Yukimura: The recap sheet.

Chair Furfaro: Tim has the floor and then we'll go to Councilmember Nakamura and I see automotive is here. Clint, automotive, you might as well plan to come back after lunch. Thank you. Mr. Bynum, you have the floor.

Mr. Bynum: That term living document, I first heard that from the administration and that was the commitment way back that the PID will be the living document. It's great to hear you say it's not, but we're going to have one; right?

Mr. Tabata: Yes.

Mr. Bynum: So we could see in future, there is still being a PID as an initiation document and then it will tie into the living document that gives us the progress timeline?

1 Mr. Tabata: Right.

Mr. Bynum: Changes, that kind of thing. Thank you.

Chair Furfaro: Councilmember Nakamura, you had a question?

Ms. Nakamura: Just a follow-up on the new landfill. So you are proposing to reduce the budgeted amount by \$1.1 million?

Mr. Dill: That is correct and the reason for that in the spirit of monies that we foresee expending within the next 12-18 months. So basically we don't see we need this and covered adequately in that line item, so we removed that.

Ms. Nakamura: And so that pretty much includes the funding for the design -- what does it take us up to for the next 18 months?

Mr. Tanigawa: Hi Councilmember Nakamura, what we have remaining in this account will takes at least up to completion of the EIS process. What remains there, I guess is for contingency purposes, if things come up during the course of this EIS process, if additional studies or other information need to be secured we have the funding there to address those things.

Ms. Nakamura: Part of the \$1.8 encumbered so far is for the EIS consultant?

Mr. Tanigawa: That is the total encumbrance under that contract.

Ms. Nakamura: Okay, thank you.

Chair Furfaro: Anything that is directed at solid waste up to the 12:30 hour.

Mr. Rapozo: And mine are only questions.

Chair Furfaro: Go ahead.

Mr. Rapozo: Very simple question and it was triggered by your comment about the 12-18 months. So the proposed CIP cell 2 construction expansion, the construction of \$8 million, you anticipate expending that in the next 12-18 months? The cell 2 construction. You just told -- I think Larry just said that \$1.1 million was reduced because in the spirit of only funding projects that we're going to finish or we're going to expend the funds within 12-18 months. Are we going to be able to do the construction of cell 2 in the next 12-18 months.

Mr. Tanigawa: We're anticipating going out to bid

Mr. Rapozo: We're that close?

Mr. Tanigawa: By the end of the year.

Mr. Rapozo: Okay, that's good.

Mr. Dill: I'm sorry I should have used the term "encumbered."

Mr. Rapozo:
completed so that is good? Thank you.

No I understood it to be encumbering and not so much

Chair Furfaro:
in the next 12-18 months.

I want to reconfirm again that will all be encumbered

Mr. Tanigawa:
we will be encumbering that amount.

We'll be encumbering whatever the bid turns out to be

Chair Furfaro:
Yukimura.

Any more questions on solid waste? Vice-Chair

Ms. Yukimura: On the new landfill you show construction management to be \$2.5 million and construction cost to be \$25 million. Where are we planning to get that money?

Mr. Tanigawa:
future appropriations request.

That is something that we'll have to come up for

Ms. Yukimura:
tracking this thing?

But you must have some kind of idea if we're fast-

Mr. Dill:
would like to refer them to the director of finance.

We had discussion with the director of finance and I

Chair Furfaro: Wally, would you mind coming up. We're talking about a proposed cost of \$25 million. I think some of us assume that we will be looking at some financing form?

Mr. Rezentes: Yes, Wally Rezentes, Jr., Director of Finance. The intent for getting monies in that kind of amounts will be through the bond market, and also, obviously, we need to pay for the debt service. So it's not a small amount of money that we will be needing at sometime in the future. Our intent is try to match the need for it the funds, time it as close as possible when we have the fund as valuable funds available to when the need is. So at some point in the relatively foreseeable future we're going to need to go out to the bond market and obtain a large part of that monies through bonds.

Ms. Yukimura:
million include the resource recovery park?

Surely you well okay first of all does that \$25

Mr. Tanigawa:

No.

Ms. Yukimura: Does not include resource okay. Surly you have some time table because we have to open it within 10 years. Okay so when are we supposed to start construction and then back that up. When are we supposed to have the funds by? And the \$2.5 million for construction management is part of the \$25 million or in addition, to the \$25 million?

Chair Furfaro:
correct?

First of all, the date we see narrative is 2020. Is that

Mr. Dill: Yes, Chair, there is a grant chart in the PID that shows you the dates when we intend to construct the new landfill. We're projecting right now April of 2018 to begin construction. And the CM monies that are in addition, to the construction monies.

Ms. Yukimura: So we're talking \$22.5 million.

Mr. Dill: Is that the number?

Ms. Yukimura: Oh I'm sorry \$27.5 million.

Mr. Dill: That sounds more correct. All those numbers obviously are estimates at this time.

Ms. Yukimura: Okay but if we are going to start construction in 2018 we will have to have those monies appropriated about a year before that?

Mr. Dill: Yes.

Ms. Yukimura: So you need the monies 2017?

Mr. Dill: Correct.

Chair Furfaro: And completion is targeted at 2020?

Mr. Dill: Yes.

Ms. Yukimura: And you don't anticipate any money need for land acquisition?

Mr. Dill: We're not aware of that at this stage.

Ms. Yukimura: Okay. But you don't need \$27.5 million or you will, but you are going to then need tipping fees to pay off the bond?

Mr. Dill: That is a source of revenue we'll look at, but I will defer to the Director of Finance.

Ms. Yukimura: Well that is something that Solid Waste should think about too.

Mr. Dill: Somebody (inaudible)

Ms. Yukimura: Okay so somebody has got to be doing some really long-term financial planning here and we're not going to start in 2017. So we'll discuss that in committee.

Mr. Dill: Okay.

Chair Furfaro: Mr. Bynum?

Mr. Bynum: When did we last raise tipping fees at the landfill?

Mr. Tanigawa: It might have been either 2009 or 2010. It was raised to \$90 a ton?

Mr. Bynum: From \$80 as I recall right.

Ms. Yukimura: For commercial?

Mr. Tanigawa: Just for commercial deliveries.

Mr. Bynum: I just remember when we adopted the integrated Solid Waste Plan, I think all of us were really clear with the community we're going to spend a whole lot of money on opala over the next 20 years. The fees that we have increased tipping aren't even covering the operational costs of our current operation. And so we should be honest with the public and say these fees are going to go up again, or you are going to have increased property taxes. We don't have any choice. This is going to be a major, major expense for the County ongoing for at least the next 20 years. And then hopefully -- and I'm sure you are doing this in your design about trying to maximize efficiencies, so operating costs are minimized and maintenance costs are minimized. That is part of the whole design. And maybe we should look at increasing tipping fees again. I am going to ask later in this year a whole bunch of questions how we compare with municipalities and what is a reasonable timeframe? Because I think we should have a goal to at least have our ongoing operational expenses covered by user fees. People of Kaua'i are going to pay one way or another and it seems it would be cleaner to have it in at least operational costs be self-sufficient.

Chair Furfaro: Mr. Rapozo?

Mr. Rapozo: I just had a question for Wally.

Chair Furfaro: I was going to bring Wally up, too.

Mr. Rapozo: It was a general question and if we could do that before lunch, I would appreciate it.

Chair Furfaro: Don't go far, Troy. We still have questions for you.
Council Vice-Chair.

Ms. Yukimura: Actually this is within the ambit of question for Wally. Not just \$27.5 million that we have to anticipate and figure out how we're going to fund. It's the \$10 million for the \$8 million of which we are expending in this budget, but \$10 million for the retrofit for Kekaha landfill. So \$27.5 million plus \$10 million is \$37.5 million not to mention the infrastructure that we have to build for zero waste, so we can eventually move away from these kinds of costs. We're looking at \$37.5 million that we have to expend in the next 15 years and this isn't counting operations, I mean collections. And excuse me this is the cost of not planning an not having done in some diversion infrastructure years ago. So Wally, you have any ideas how we're going to pay for this?

Mr. Rezentes: Well, Real Property Tax is the main source of revenue for this county. User fees are another source of revenue and I think you folks have spoken about both of these things through the budget session. That is the lion's share of the costs we're going to need to handle the debt service, as well as the operational costs of the functions that we're going to provide.

Chair Furfaro: Okay Wally, can I will send over a question, separate memorandum. If you could just look at it, the question will be from the year 2014 what incrementally do you see as the additional debt service and at some forecasted rates, what those impacts would be projected for us through 2020.

Mr. Rezentes: What we can do, I know during Finance Department's presentation we did provide a chart that laid out the debt service all the way through and we can layer on --

Chair Furfaro: I just want to know the landfill and the \$8 million we'll incur relatively sooner than the \$35 million. So I will send it over in a question after I think it through and if you could respond, I would appreciate it and share it with the Councilmembers. Go ahead.

Mr. Rapozo: Thank you. That was a great sag way into my question, but as far as the debt service for the CIP projects, that is not reflected in the CIP budget?

Mr. Rezendes: No.

Mr. Rapozo: Why wouldn't that be reflected in the CIP budget?

Mr. Rezendes: We pay it out of our Debt Service Fund?

Mr. Rapozo: Right, but shouldn't that come out of CIP?

Mr. Rezendes: Historically we have not identified it.

Mr. Rapozo: I understand that but as I'm looking at this all of the money in the CIP, our debt service for the CIP budget should be paid out of the CIP budget, I believe and not through general funds. That is just my opinion and I'm not an accountant, but ...

Chair Furfaro: It depends on what kind of bonds we float too, general operating bonds.

Mr. Rapozo: If you look at the CIP budget, the CIP budget, whatever we spend into CIP should be reflective of all the expenditures of the CIP programs. No different than a project manager. That's not a project we not building the house that is a person that we're paying to oversee and that is an expense of CIP and we pay that out of CIP budget. So I think to track it properly, so we can get a better understanding of what the CIP program consists of, I'm asking, it doesn't make sense to me. We should probably have --

Mr. Rezendes: What May be more appropriate Councilmember Rapozo, and we have done it in the past with past issues, for the golf course, for example when we did a major renovation or addition of the sprinkler watering system. We had the golf fund appropriate monies annually from its operating that those monies went to our debt service ultimately transferred to the debt service fund to pay for that respective portion of the debt. I could do a similar thing with Solid Waste, but you would likely see it in operating, because it will be an annual appropriation.

Mr. Rapozo: Correct. but I guess I think it just makes sense to have all expenditures, all costs related to CIP be paid out of the CIP. And that is your call. I just think that probably a cleaner way. Then you have an accurate figure because what is your debt service right now about 8 million?

Chair Furfaro: 9.7 million.

Mr. Rapozo: To me, it should be added to our ... so in essence, our CIP budget right now..

Mr. Rezendes: I see your logic. You want it to come from the respective source, whether it's solid waste, sewer, highway, CIP so you can see the capital side, as well as the costs.

Mr. Rapozo: The real cost. Right now the taxpayer pays it out of general fund.

Chair Furfaro: Yeah but Wally, it becomes more complicated at the end of the day it's our debt service.

Mr. Rezendes: I understand. I see his logic.

Chair Furfaro: I understand where you are coming from, but those are different kinds of bonds. If you got landfill producing revenue it's a revenue bonds and you have to explain to the bond council how many of that revenue is going to supports that debt. I would say Mr. Rapozo's points are good, but I would rather go to one place, like I'm doing in this new budget and seeing that I have a yearly payment of \$9.7 million to debt.

Mr. Rapozo: And that would be reflected. That would be reflected in a line item "debt service," under the CIP budget. So it would be the same. It's just under the CIP, budget. I'm not saying put \$1.2 million in solid waste \$1.1 million in waste water no.

Mr. Rezendes: Right now there is certain Ordinance requirements that require us to set it aside in the debt service fund but I mean knowing what contributed to the debt service is I think what you trying to visualize..

Mr. Rapozo: Exactly because we have debt service in several ways and the CIP doesn't only entail bonds. We have general fund CIP. We have highway CIP. We have all of these different CIP funds. It's not all limited to bond funds. Anyways just a thought, I will leave it up to you. You are the expert, but to me, when I look at budget, this \$68.855,000 doesn't include that service so our CIP budget in essence is really larger than that and you add the 9 million and you end up with a nice big chunk and maybe it effects the bond rating I don't know. Maybe it effects the ability to borrow money I don't know but I think for me as a Councilmember looking at the budget and trying to look at the real numbers just seems like that's where it should be..

Chair Furfaro: Wally that is a fair question. I would like to say you can always set up a subsidiary ledger to show monies paying certain elements of the piece but the question started out where are we go getting the money for \$37.5 million and the only place right now at this point in time it probably has to come out of some general obligation bonds. I appreciate the questions, Mr. Rapozo and maybe we could get some kind of ledger for that, Councilmember Nakamura and Councilmember Yukimura.

Ms. Nakamura: Wally I had a question. You know, I recall in our Comprehensive Annual Financial Report that there is a section in there that talked about our upcoming anticipated major expenses. Do you recall a section in there that included a plan for anticipating those expenses?

Mr. Rezendes: Well, the six-year CIP, yes. The six-year CIP is what you look at to figure out at least in that window, that six-year window, what is expected to be on our plate. And you draw conclusions from, depending on its accuracy and 4th, 5th, 6th year out is less accurate as 1st, 2nd and 3rd years out, but if you look at that document it can provide some guidance as to really what the future debt requirements will be as we proceed.

Ms. Nakamura: So maybe what we'll do is just ask the Planning Department for a briefing on the six-year CIP. Also I just recall something that identify these big

ticket items and I thought there was some sort of proactive plan for anticipating it, but I will just re-visit it. I just thought if you knew. Okay.

Chair Furfaro: And that document comes out of Planning and it would be something that we should discuss and review in the future. But actually get a briefing by Planning. Vice-Chair Yukimura?

Ms. Yukimura: Thank you. Question I think is for Larry or Solid Waste anyway but stay there, Wally, you never know -- wait, maybe, Troy.

Chair Furfaro: Members, it's 12:30 and I wanted to finish regarding Solid Waste before we broke for lunch.

Ms. Yukimura: So the way to mitigate the huge capital costs we're looking at from landfill is to increase our diversion rate, so it would increase the life of the landfill. I mean existing and then future landfill. And we don't have -- and this will be a segway -- I'm sure this will be discuss after lunch the MRF and composting projects which are dollar funded in the budget right now. but I mean, if you had the MRF running today, the diversion rate at Kekaha would be greater. And also the encouragement of recycling would happen with the pay-as-you-throw because people can save money. They don't have to spend as much money on tipping fees or residential waste pickup fees if they recycle. So there would be this whole momentum towards the new system, the zero waste system that we're trying to develop. So my question can be answered after lunch, but we need to talk about how we're going to fast-track this MRF.

Chair Furfaro: So since it's very clear we're not going to finish Solid Waste it's 12:35. All attendees come back after the lunch break at 1:35.

There being no objections, the meeting was recessed at 12:35 p.m.

The meeting was called back to order at

Chair Furfaro: We're ready and I want to pass out a reminder to everybody here. This is the budget meetings. If we start to get into philosophical items that deal with how we can maybe service issues that we should focus on in the future and operations and so forth I am opening to scheduling those in committee. I want to focus on budget, so I think we left with Vice Chair Yukimura having the floor and she has it again.

Ms. Yukimura: Thank you chair, and just to comment on what you just said. If it's a question -- a preliminary question about future budgets I hope that we can at least get the question on the table.

Chair Furfaro: I don't have a problem with future budget questions. I have a problem with the future decisions about the philosophical ways we do business that can go to committees.

Ms. Yukimura: I hear you. I think that's a reason line to draw. So my question to -- I guess Troy is not here.

Mr. Dill: You can address your questions to me.

Ms. Yukimura: Okay. What is the status -- well, first of all is this project initiation document something that we can rely on or does it have to be updated?

Mr. Dill: Which particular one are you referring to.

Ms. Yukimura: Material recovery facility. I mean...
Mr. Dill: I believe that one is current.

Ms. Yukimura: It is?

Chair Furfaro: It is not current.

Ms. Yukimura: I mean it's not up-to-date? Okay. so where are we then? Can you tell us?

Mr. Dill: We spent time this year looking at our options and we done a couple presentations of our team to the administration with some (inaudible) options and recommendations. The big decision to be made is whether we pursue a privately own, private operated, -- county owned or private operated or county owned, county operated facility, so we're still looking for the final solution to that, and part of that is looking for an appropriate site to see if the option of a county owned private operated facility or the option of choice to see where that could happen and what land may have to be acquired if that is the case or using existing county property, and county property in place now all of is used to some various degree, and that means displacing functions and uses there, so it would have to be relocated, so all of those costs are trying to be addressed (inaudible).

Ms. Yukimura: Are you looking excluding the possibility of condemning land where we need it?

Mr. Dill: No. That is a possibility we are looking at that as it's time frame associated with it and cost associated with that as well.

Ms. Yukimura: Right but I think when you identify property that you want to condemn you can actually occupy it at a certain point, and I mean time is of the essence. I'm tired of saying that actually.

Mr. Dill: We did sent over a while ago a response to a Council request some issues associated with time frames developing a MRF and this is consistent with solid waste management plan. We are working now part way through the implementation of automated refuse collection as you know and we're in phase two, we are about halfway as far as covering the island. We would like to be able to implement phase three and the final phase meaning we would take care of the rest of the island in that final implementation, and the Intergraded Solid Waste Management Plan recommends, and we concur that we implement -- that we don't implement island wide curb side recycling prior to implementation of the automated refuse collection so we need to get the island wide automated refuse collection complete then we can include island wide automated curbside recycling which would also allow us to island wide green waste at the same time. The MRF would be something that would happen simultaneously more or less with the island wide curbside recycling.

Ms. Yukimura: Yes but you have to build it to be ready for when you start island wide curbside recycling which is why we argued against the wasting of time to do that pilot curbside recycling when you didn't have clear plans for the MRF.

Mr. Dill: I disagree with you when you say it is a waste of time because and you requested I don't know if we provided the report --

Ms. Yukimura: I haven't seen it yet.

Mr. Dill: There is essential information that we needed in order to make some decisions at the MRF. What we expect to see if the MRF, what kind of waste treatment we can (inaudible) volume and material that would come and the nature of the material.

Ms. Yukimura: Well how do you know without pay as you throw. That would totally differentiate the volume.

Mr. Dill: Yes, but it's purely unknown but now we have information. you're right the pay as you throw will help to push the recycling and improve the waste stream that we expect to receive.

Ms. Yukimura: The EPA has done many studies to show what the percentages are that can be achieved.

Mr. Dill: But there's also information that shows what is happening in Hawai'i and on our particular island significantly different than what's being seen on other island.

Ms. Yukimura: Okay.

Mr. Dill: And the (inaudible) is a good point I agree it is an important factor with just received a draft plan on implementation of pay as you throw. I haven't read it myself yet but I agree it's an important part of the picture we're pursuing.

Ms. Yukimura: Perhaps the council should be involved in the discussion about privately owned versus county owned because it has many fiscal implications, especially if the people are already paying high fees because of the capital costs that we're now incurring, or that we just talked about before we broke for lunch, so maybe we should have that schedule.

Mr. Dill: We could come to you -- I don't want to come to you without a recommendation, but when we come to you with the recommendation we will certainly show you how we came to that conclusion and the review of the various options including the ownership scenarios, because you're absolutely correct. I agree that they are one of the pros of a private operation is it puts the burdens of the capital improvements on the private owner operator, but the other side of that coin in the long run the County encounters more challenges with making sure that we can procure competitively the operations of that.

Ms. Yukimura: That's correct.

Mr. Dill: So there are pros and cons that we need to weigh.

Ms. Yukimura: And you can get a hybrid by allowing design build of the facility, but not ownership?

Mr. Dill: Yes. And that's one of our options that we would procure -- we would own the facility but we would procure the design build as a private design build operation and then procure the operations as a private operation but it's a County owned facility so we're looking at that as one of the options.

Ms. Yukimura: And when do you plan to have the recommendations to the Council?

Mr. Dill: Well to be honest I hoped to have it by now. We gave a recent presentation to the administration. Some good questions were posed back at us, so we are researching those now to get back to the administration. I just can't give you a time frame.

Ms. Yukimura: Okay. But for the supplemental and for this budget are you recommending that we not put any monies in for a MRF.

Mr. Dill: At this point, I don't have a number that I can support that I can recommend to you but we may well come back in the supplemental or if not in the supplemental then it will be as a money bill in the coming fiscal year.

Chair Furfaro: Let's remind ourselves to that at this point there is no money, kind of hard to come in with the money bill zero of zero, so how about giving us a briefing in committee some time very soon after the budget is done if the only option is to submit something in the way of a money bill for design concepts. Is that fair and reasonable?

Mr. Dill: I will check with the administration. As I mentioned I don't know if I am comfortable providing a briefing when I am not in a position to provide a recommendation in the direction that we want to go.

Chair Furfaro: Understood, but I would hope that we could start having some discussion with the council 60 days or now or something, so could you make that request with the administration?

Mr. Dill: I will.

Chair Furfaro: JoAnne, you still have the floor.

Ms. Yukimura: This is my last question. I mean the concern I have is if really most of the money that we have is what we're looking at right now, and then we allocate it completely away, and this is a high priority for us, but we assigned to other projects because it hasn't in the priority setting process, then we really handicap the project, and so you know, and especially because this has been an issue for five years. I hope that we can get something, so we can include it in the budget. Thank you.

Chair Furfaro: For the members that are at the table here again I want to reiterate my instruction. I plan to stay here until we finish the division of Public Works here today, engineering, so I want to remind us to focus future agenda items that are not dealing with the budget to other committees, so Allison were you going to respond to something in particular to Vice Chair Yukimura, or are we moving on to some of the recycling programs? Your choice.

Mr. Dill: We're in Q & A mode now.

Chair Furfaro: Okay. Q and A mode. Mr. Chang, Mr. Rapozo, Mr. Mr. Kauli'i.

Mr. Chang: No Qs for me.

Mr. Rapozo: I have one in general.

Chair Furfaro: Go ahead.

Mr. Rapozo: I didn't ask of wastewater but of Solid Waste and I will be asking the different divisions. It doesn't appear -- all of your projects are in process moving forward pretty much, so I don't think there is a project here -- if you had to prioritize them all and number one priority (inaudible).

Mr. Dill: Yeah. I mean (inaudible)

Mr. Rapozo: I mean is there any project on your list that you could do without this year? And you're different from parks and the other one so I expect you to tell me "no".

Mr. Dill: There is an engineering reason that every Public Works project being proposed here is in the budget so every project is needed.

Mr. Rapozo: Yeah and I think with wastewater and solid waste I would agree with that and drainage. I think when we get to parks ... when we get to some of the other division I think there's a lot of thing that we would like to do and my questions will be for the departments and director heads to prioritize that because in my opinion we got to find some money as we go into decision making, and I would rather have a list from the administration saying what they can do without rather than me make that decision or this Council make that decision, so that's probably an unfair question to ask you, because like I said yours your projects are all moving forward, and I would agree that I don't see anything on here that we could wait, so mostly for the others that come up after you they can start preparing. Thank you.

Chair Furfaro: Any questions on Solid Waste? Go ahead Vice Chair.

Ms. Yukimura: So what is the status on your composting? You have that dollar funded too, your composting facility?

Mr. Dill: We are not prioritize that in the same way we have the MRF because there are a couple of composting operations with whom we are working on the island currently right now, so they are meeting the need to some degree fairly well at this moment, so with that in mind we haven't prioritized or shown budget request for that.

Ms. Yukimura: So the plan -- the long range plan for composting is what, per the integrated Solid Waste Management Plan then? Or to be determined or altered in a few years when you have time to think about it?

Chair Furfaro: Do you have something to share with us on that question?

Mr. Dill: I would request Vice Chair Yukimura put that in writing so we can respond to it. I am not intimately familiar with that integrated solid waste management plan is that has to say on the composting.

Ms. Yukimura: Okay, just one last question on the landfill. Kekaha landfill, you know this fold out here the 8 million that you have for the Kekaha landfill lateral expansion cell 2 construction. Is that in addition to the other three figures you have right above it, or does the 8 million --

Mr. Dill: Well, above it you see -- let's see. The construction we estimate based on most recent estimate from our consultant is approximately \$9.2 million.

Ms. Yukimura: So that is in addition to everything? You're adding the three above?

Mr. Dill: We are adding the two.

Mr. Tanigawa: Excuse me Councilmember Yukimura.

Ms. Yukimura: Oh I see.

Mr. Tanigawa: To add to what Larry just mentioned, we have three items there for cell 2. The item in bold proposed CIP, that's the newest item (inaudible).

Ms. Yukimura: Okay.

Mr. Tanigawa: You add the \$8 million to the number just above that \$1.284 that is for construction.

Ms. Yukimura: And the other two figures above that 654865 -- and 464,956 those are also expenditures that are in the CIP now?

Mr. Tanigawa: Budgeted CIP funds that have not been encumbered yet.

Ms. Yukimura: Have not been encumbered but we expect to encumber it this year?

Mr. Tanigawa: We have potential for encumbering the funds budgeted in the 654, that account 654,000, and we have 464 remaining in contingency for Cell Two. We have activities ongoing now with design that there may be additional costs.

Mr. Dill: Councilmember Yukimura, if you can refer to the CIP recap sheet. (Inaudible) significant expenditures and encumbrances against that Cell Two design number.

Ms. Yukimura: Okay.

Mr. Dill: So as Troy mentioned, the 464 is the balance of that appropriation currently.

Ms. Yukimura: Okay, so actually...but you can add up all those costs in terms of the cost of Kekaha Landfill expansion. So we are looking at an \$11.3 million in this year's CIP budget for Kekaha Landfill expansion?

Mr. Tanigawa: Correct.

Ms. Yukimura: And were there amounts before this that we spent on the lateral expansion?

Mr. Tanigawa: Yes.

Ms. Yukimura: In previous budgets?

Mr. Tanigawa: Yes.

Ms. Yukimura: Okay, so I would like to know the total projected cost of expansion of the land...

Mr. Tanigawa: Yes (inaudible). It is the in the April 4 communication to the Council Chair.

Ms. Yukimura: April 4 communication. Is that answering questions?

Mr. Tanigawa: Yes.

Ms. Yukimura: Okay, then we will look it up. Thank you very much.

Chair Furfaro: Okay, I have a question from Mr. Bynum, and then we are anxious to go into Engineering. So, Mr. Bynum, Solid Waste.

Mr. Bynum: I pass.

Chair Furfaro: You will pass. Okay, Solid Waste, Solid Waste twice, Solid Waste three times. Okay. Who are you bringing up for us with Engineering?

Mr. Dill: Mr. Wally Kudo, first. Lyle is going to have an introduction he is going to do for us.

Complete Street

Chair Furfaro: But with a PowerPoint? Okay, I am going to move over there by Eddie. Lyle, you have the...

Mr. Tabata: You have a copy, just a PowerPoint. So per our presentation with Get Fit Kaua'i or with Bev Brody and Marie and myself, I was asked to have a summary prepared of CIP budget items that is in this budget ordinance. So the projects...I will really go real quickly the framework of how we are organizing Public Works to deliver Complete Streets, and we talked about Michael Moule and the internal process that we are presently traveling. And as just a matter of fact, tomorrow Dan Burden will be here. Dan Burden will be working with us to help train us on how to present community involvement and community informational meetings, and then in the afternoon he is going to be doing a train the trainer for walking audits in the communities.

Chair Furfaro: Excuse me, Lyle, before you go any further, I am doing a follow up at some request, I am meeting with the Vice Chair of the Salary Commission, so I am going to be going downstairs; Mr. Finlay is here, and if I can turn the meeting over to you at this point.

Mr. Rapozo: Sure.

Mr. Tabata: Okay, and next week Michael Moule is coming back for a personal vacation, but he has hours that he still owes us, and we will be setting a couple of hours aside for him to review some of the engineering work we have done. So this, again, you saw was a summary of all of our projects that we are scheduling to work on, and finally, the CIP, the budgets that are funded in this year's CIP. So you can see at the very top Kawaihau Road – engineering study, and engineering is the planning and development. We went out for procurement

for professional service. Hanapepe Road Resurfacing again, out for procurement for professional service. Puhi Road, ultra thin white topping, we are presently out for procurement for design. Rice Street, we are using some of the money in the Rice Street crossing improvements to do our own internal planning and design to do a road diet on Rice Street to provide for bicycle facilities. Hardy Street is presently in final planning and design for design build procurement for final design and construction. We are almost completed with the preliminary planning and designing work. Kōloa Circulation Plan, short-term improvements, we have a little bit of money left that we are keeping to help us with the final work that we are doing for the Kōloa School crosswalks. And then the three Planning Projects, the Kōloa Development, Līhu'e Development, and General Plan study updates, discuss with Planning Director Dahilig, the Complete Streets policies we will be including in the development of these plans, so just a quick summary as was requested by Chair in our Get Fit Kaua'i presentation update of the complete streets policy. Okay, then I have --

Mr. Rapozo: Lyle, real quick.

Mr. Tabata: Yeah?

Mr. Rapozo: You know that graphic you just showed with the complete streets safe routes, and where is that located?

Mr. Tabata: They're all embedded in highways.

Mr. Rapozo: Okay, it is in the highway project?

Mr. Tabata: Yeah.

Mr. Rapozo: Okay. I am showing on your complete streets safe routes on Kauaihou Road I'm showing \$300,000.

Mr. Kudo: It's current.

Mr. Tabata: I am sorry, my error. I just put what we actually asking for extra this year.

Mr. Rapozo: Okay.

Mr. Tabata: So my error, its total 300 but asking we just asking for another hundred.--

Mr. Rapozo: For additional, okay got it, thank you.

Mr. Tabata: So my morphing picture didn't work last week, so this is one that we wanted to show, and then we have another one, if people recognize it and we're doing Hardy Street and recognize this, this is Umi street and the plan outside of doing the main Hardy Street we have to get the kids to schools from the subdivisions so this is a morph of what Umi can look like. And you will question where is the center line?

Mr. Rapozo: Okay, what's the punch line now?

Mr. Tabata: The cars would run in between the lines and wide enough for cars to travel, and the removal of the center line is a traffic calming device, and you see the decals in the road. They're called share roads and we're telling the community and the drivers that they need to share the road and outside of the solid line is the walk path, So that is what you

call a road diet. Something you can do without major infrastructure upgrade. So we just need community education. You're the first -- this is a morph that we are going to use as a tool to help educate the community.

Mr. Dill: So understand we're not going ahead and stripe this tomorrow but to give you an idea of the concepts we're looking at.

Mr. Tabata: I have one more which would include major retrofits, and this is where we would definitely utilize our...

Mr. Rapozo: That's Hanapēpē Town right.

Mr. Tabata: We will utilize our partners in the federal government to do a major retrofit upgrades so this is what it is pre, and if you dream what it can be. Not necessary four lanes on Kaua'i. Okay. So that's it for this presentation. I will take questions.

Mr. Rapozo: Thank you Lyle, and in following the guidelines set by the chair we will entertain questions for budgets and we're going to start on the top of the list. I'm get an echo and I don't know if somebody's mic is on but... we'll follow the same process go right down from the top of the list and we'll vet out that project and move on, so anyone have a question on any of the projects on page three of 10? Mr. Bynum.

Mr. Rapozo: Okay. I'm sorry. I thought I saw your hand go up.
Councilmember Yukimura.

Ms. Yukimura: So for your Kauaihau Road complete streets proposal that you're asking for \$100,000 or using a \$100,000 for it?

Mr. Tabata: 300 total.

Ms. Yukimura: Oh okay. 300 total. Will that anticipate or include a roundabout?

Mr. Tabata: Yes. You know it's up -- we're encouraging the designer to look at options for that five way.

Ms. Yukimura: Right.

Mr. Dill: So that is --

Mr. Tabata: So that is one of the charges to the designer to look at a roundabout.

Ms. Yukimura: Same thing possibly with the Umi Street.

Mr. Tabata: Umi and Hardy is planned. It's in the design.

Ms. Yukimura: There is a roundabout?

Mr. Tabata: Yes.

Ms. Yukimura: Okay, so that is another way to slow people down at the entry to the street. Okay. And for the Līhu'e General Plan technical ...

Mr. Rapozo: Hold on, hold on, anymore questions on the Kauaihou complete streets Mr. Bynum?

Mr. Bynum: I appreciate that answer. That's a very awkward intersection and it's one I was actual there when Michael Moule was there and when you get on the ground that close it's not round, it's kind of elongated so it might be a unique roundabout but I'm glad to hear you're heading in that direction and my question is, and I have asked it before and I want to put it on the record. It really is to cover that intersection right but it will stub out on each end with kind of a template that could be ongoing improvements on Kauaihou there.

Mr. Tabata: We intend to take the street up to the park. One park from ...

Mr. Bynum: From Kapahi Park

Mr. Tabata: All the way to that Kapahi Park and look at it.

Mr. Bynum: Very good. And just to back up a little bit to your Umi street.

Mr. Tabata: Yes.

Mr. Bynum: And I appreciate you presenting those that are low cost, short term, can be done quickly. I am also looking at Akahi and Elua Street which in our Līhu'e Town Court Plan and some of these streets eventually I hope we don't do the low cost alternative but put in pedestrian elements, landscape because we have the right-of-ways, and we have a vision for those two streets as being connected to the business district here. I walk now to Tip Top fairly frequently. It's not an easy walk right now, so I said in my letter to the Mayor would he consider or if I could get some cost estimates of what it would cost to put that pedestrian infrastructure on the two key streets because it will connect with Hardy and connect with the new alignments of the streets that are part of the Hardy Street thing so I want to put that on the record. Thank you very much.

Mr. Rapozo: Kauaihou Road Complete Street Safe Routes. Anymore questions? If not that one is done. Who has another question on any of the projects? Councilmember Yukimura.

Ms. Yukimura: Your General Plan technical studies

Mr. Rapozo: General Plan technical studies...

Ms. Yukimura: On your last slide. I don't know where that is.

Mr. Rapozo: Where does that show up Mr. Tabata: on the budget?

Mr. Tabata: Those are Planning projects, so they are in towards the end, in "other".

Mr. Dill: Page seven.

Mr. Rapozo: Are you going to cover all the Planning projects?

Mr. Tabata: No. They cover their own.

Mr. Rapozo: Okay, well we will wait for Planning.

Mr. Dill: Those were included and we want to show other street efforts.

Mr. Rapozo: Okay. So we'll cover planning with Planning. Next. I apologize to be seeming to be rushing but I don't want to be here till... you heard the chair, we are going to stay here till we are done and I kind of want to... so anymore questions.

Mr. Bynum: I am lost.

Mr. Rapozo: Anywhere on the page. Councilmember Nakamura.

Ms. Nakamura: One of the projects I think that was approved last here was the Kahuna Road realignment and wanted to find out why that was dropped.

Mr. Tabata: It's not.

Ms. Nakamura: The Kahuna Road realignment \$1.8 million which is now down to zero so I just wanted to know why it was on the list first and why it's was removed?

Mr. Dill: Kahuna Road realignment is accruing as a result of the desire of the State of Hawai'i to decommission the lower Kapahi reservoir, so by agreement with the State since the County owns the road which forms the dam for the reservoir we are working with them and participating with them on that project. The State requested that we contribute and participating funding wise and we contributed 1.8 million towards the project with the state and doing that according to executed memorandum of the understanding and with agreement with the State. What came up during the course of the design of their decommissioning they proposed to close the road for three to four months and that raised a huge red flag to us because now you've got issues with fire and emergency services getting up there. The only other option there is to cross the Kapahi Bridge so we asked them to look at another possible solution which would be ... because they were proposing to do a temporary road. I forget the (inaudible) in excess of a million dollars or around a million dollars I think. We said that's going to be the permanent new road and that way we can keep the other road open the whole time and then move to the new road and we can get a better road because the existing road has problems with curvature side distance etc. That drove the cost up and we're still in negotiations with the State of Hawaii and have been for some time. They came back with a proposal which from our perspective was one sided in their favor and because we didn't for see that this was getting resolved in a timely fashion we didn't think it would be encumbered in this time frame that's why we're not showing funding for that. However that's a project that we are still pursuing but don't show funding for it.

Ms. Nakamura: Thank you.

Mr. Rapozo: Anymore questions on the Kahuna Road realignment?
Okay. Any other questions? Mr. Bynum.

Mr. Bynum: It's on this list and I am not sure why Kapa'a Ocean one year study and I have been waiting to read that study for six years. Is it done? I believe we funded two ocean studies one for Po'ipū and one for Kapa'a, and the Kapa'a one is the older one and it only shows \$38,000 so I'm thinking its pau already.--

Mr. Dill: You received the report of 38,000 is the residual funding remaining in that. We have received the report. We can get you a copy if you like.

Mr. Bynum: I have been waiting for five years.

Mr. Dill: I'm sorry. I was unaware you wanted a copy.

Mr. Bynum: And it's not on this list, but I don't know why it's on the list on the road.

Mr. Dill: I don't know which list you're pointing to Councilmember.

Mr. Bynum: I'm sorry.

Mr. Dill: It's on which list? I can't see what you are point...

Mr. Bynum: The ocean study is on here and yes, I would like to see a copy of that thank you very much. What is not on the list because this is the highway's list and there is a Poipu study as well. Maybe have to wait until later. Anybody know where that is?

Mr. Rapozo: That's not --

Mr. Dill: Parks I think, isn't it?

Mr. Bynum: Okay.

Mr. Dill: I think it's under parks.

Mr. Rapozo: The Kapa'a ocean study on your recap shows it was originally funded at 50,000 encumbered 11,700 remaining and leaving a balance of 38,247 which is what's on our CIP budget. If that project is completed we can remove the 38427, correct?

Mr. Dill: We are looking at potential change order for some additional study.

Mr. Rapozo: This ocean study was that for Mona Kai --

Mr. Kudo: No this is just for Kapa'a.

Mr. Rapozo: Oh the beach park, okay. So you still need that; right? Okay. Mr. Bynum you still have the floor.

Mr. Bynum: So the Moana Kai sea wall it's.

Mr. Rapozo: Hang on. Anybody else have questions on the ocean study? You do?

Mr. Kualii: No.

Mr. Rapozo: Okay. Good. Go ahead Mr. Bynum.

Mr. Bynum: I assume it's on yours as well Moana Kai and what's the other one?

Mr. Rapozo: Pona Kai.

Mr. Bynum: Right and I heard there was hold up at the health department.

Mr. Dill: We have actually three projects that we put together - where is the line item for that three sea walls different projects Moana Kai, Pono Kai, and Aliumanu Road (inaudible). All of those projects have been are in permitting for at least a year.

Mr. Bynum: Yeah. Maybe I could save you time. So you put all that money into one line item the 3 million at the top.

Mr. Dill: Correct.

Mr. Bynum: And whatever pops first use that money?

Mr. Dill: Correct.

Mr. Bynum: But it's not sufficient to do all three projects?

Mr. Dill: That is also correct.

Mr. Bynum: And that is part of the thing that I think communication could help because if I knew the holdup here was the health department and some of us have connections with our Legislatures and the Governor and maybe there is something the political people can do to help break up the log jams if we know about them.

Mr. Rapozo: And if you don't believe that ask Teddy Diligdig we got the Presidential Declaration signed during lunch yesterday. Go ahead Mr. Kualii.

Mr. Kualii: So I just wanted to go one step further. With what you just told Councilmember Bynum, so the Moana Kai sea wall construction line item has 1.5 million and the change is minus the 1.5 million so ends up being zero.

Mr. Dill: Right.

Mr. Kualii: But if that went up into the Aliumanu Road, Pono Kai, and Moana Kai sea wall wouldn't that 3 million go up to 4.5 million.

Mr. Dill: Okay here is what we did. We had three projects -- Aliumanu Road, was funded at 3 million. Pono Kai was funded at 1.5 million and Moana Kai at 1.5. I'm not sure if I have those numbers exactly.

Mr. Rapozo: Maybe you do but Larry you know on the and maybe it's not a CIP project but the Pono Kai is not showing up on the list. You only have the Moana Kai ...you have the new Pono Kai and it could be in parks. I'm not sure where it would be. We haven't gotten that far.

Mr. Dill: So you don't see the Pono Kai Project?

Mr. Rapozo: It's not in your highway project.

Mr. Dill: Okay it is listed under the building project.

Mr. Rapozo: Buildings, okay.

Mr. Dill: So that one is 1.6 approximately.

Mr. Rapozo: Correct.

Mr. Dill: So we had three projects funded. What we decided to do not knowing which project if any would finally receive the permitting approval we created a new project line item on page 3 of 10 near the top and that is Aliumanu Road/Pono Kai/Moana Kai sea wall, and funded at \$3 million the intent there is whatever project comes up next year we will pursue that project.

Mr. Kualii'i: So the 1.5 is just going away?

Mr. Dill: Correct.

Mr. Kualii'i: Thank you.

Mr. Rapozo: Any other questions? Go ahead Mr. Chang. We're still on this Pono Kai, Moana Kai, or Aliumanu Road. That's it. Okay. Mr. Chang go ahead.

Mr. Chang: On the line item pedestrian crosswalk safety improvements have we gotten anywhere with the crosswalk request that I had following up? I have not heard anything back from the crosswalk -- from the Kauai Community Federal Credit Union side of Puhi across the street to Kukui Gorve?

Mr. Kudo: Yeah, I have the request and I need to respond back to you on that.

1 Mr. Rapozo: Is that favorably?

Mr. Kudo: Well part of the developments for Safeway to do some off site work and that is part of the work they were supposed to be doing for the County.

Mr. Chang: No, the Safeway is by Chiefess Kamakahele is that correct?

Mr. Kudo: Yeah, and this crosswalk that you ask for was by Kalepa Street I think.

Mr. Chang: No.

Mr. Kudo: Between Star Market and Kauai Federal Credit Union building.

Mr. Chang: Yes.

Mr. Rapozo: It's in progress?

Mr. Kudo: It's a condition by Safeway to do outside work and part of the work.

Mr. Chang: Okay, I don't understand. Isn't Safeway across from Chiefess Kamakahele?

Mr. Kudo: Yeah.

Mr. Rapozo: But they can condition Safeway to do anything.

Mr. Kudo: But there was offsite work that Safeway supposed to be doing for the County as part of the class zoning condition.

Mr. Rapozo: Mr.Kudo can you respond to him?

Mr. Kudo: Yeah, I will respond to him.

Mr. Rapozo: That would be easier. If not call Mr. Bynum and he has connections and we can get Safeway to come and paint that crosswalk for you.

Mr. Chang: I'll send the communication to Mr. Bynum.

Mr. Rapozo: Anymore questions for pedestrians crosswalk safety improvements? And Larry you took it from General Funds and moved it into the Bond correct?

Mr. Dill: That is correct.

Mr. Rapozo: Okay. Any other questions? Mr. Bynum.

Mr. Bynum: Rice Street crossing improvements and that is the post office realignment; right?292465.

Mr. Kudo: Originally the Rice Street crosswalk improvements were there were three improvements. One at Kalena and Rice Street and there's another mid block crosswalk by the Līhu'e Townhouse on Rice Street and then there was improvement requested at what Haleko and Rice. The one at Hale Ko and Rice we took away the crosswalk and moved it more towards the Kūhiō Highway. So that crosswalk is done I would say.

Mr. Bynum: Okay. So my question is about -- I understand Hardy Street we're going to realign driveway entrances on Hardy. On Rice Street we're going to realign drive entrances across from the Post Office and reinstitute that crosswalk which will be very popular for the people working downtown.

Mr. Kudo: That will be part of our complete street for Rice Street to look at those three crosswalks. One at the Post Office.

Mr. Bynum: I thought that was in the works and out to bid.

Mr. Tabata: Excuse me Wally, the intersection where infrastructure work is part of the Līhu'e Civic Center upgrade that Doug is working on, the site improvements. I'm sorry Līhu'e Civic Center site improvements.

Mr. Bynum: Is that the ADA site improvements?

Mr. Tabata: It includes ADA improvements.

Mr. Bynum: So that is out to bid, right? What is the status of that?

Mr. Dill: I believe Phase I is, yes.

Mr. Tabata: Yes.

Mr. Bynum: I think for people who work downtown, when are we going to see changes? Because it is going to realign the driveway into the Civic Center, right?

Mr. Tabata: So we timed...

Mr. Bynum: That crosses the Post Office Street.

Mr. Tabata: As Wally mentioned, we are tying that into our road diet for Rice Street, and there is a new crosswalk as part of that design that we are doing in house.

Mr. Bynum: Okay, I will follow up on that.

Mr. Tabata: And with some of these funds, we hope to tap into to complete our street.

Mr. Bynum: We have ADA improvements, Civic Center improvements, Hardy Street, all those things kind of intermingle, right?

Mr. Dill: Yes.

Mr. Bynum: And they are all fairly close as things go.

Mr. Dill: Līhu'e Civic Center site improvements are close. That is correct.

Mr. Bynum: So I can get that information later.

Mr. Dill: Yes.

Mr. Bynum: Okay, thank you.

Mr. Rapozo: Thank you. Any follow-up to the Rice Street crossing improvements? So these moneys...I guess I am a little confused, but those moneys are slated to be used this year? Do we have a specific project focus for those?

Mr. Tabata: Yes, yes.

Mr. Rapozo: And are those the crosswalks that we were talking about?

Mr. Tabata: Yes.

Mr. Bynum: (Inaudible) one of them sounds like he already resolved...

Mr. Tabata: There are multiple projects, and we are just making sure we have some money there for the things that we need to complete and finish.

Mr. Rapozo: Okay. How long has that money been there?

Mr. Tabata: It has been there the last two years.

Mr. Rapozo: Yeah. So you know, I am trying to following this 12- to 18-month guideline, and I just...I guess...

Mr. Dill: Councilmember Rapozo, the has changed with the introduction of the Complete Streets initiatives. So we took a step back and looking at...I think Lyle mentioned the possibility of road diet, bike lanes, as well as the crosswalks down Rice Street. So we kind of changed course a little bit on this one, to (inaudible) what we are trying to do and expand on it.

Mr. Rapozo: Fair enough. Any more questions, Mr. Bynum?

Mr. Bynum: So the Rice Street thing I haven't had time to talk to you about more details but is there funding for that or is that...

Mr. Tabata: The design is being handled in house, and roads budget for the paint has been -- the material has been added for paint and signage and traffic calming devices.

Mr. Bynum: Okay. So I can talk to you about that another time, and then other questions on other projects?

Mr. Rapozo: Hang on. You have a follow up?

Ms. Yukimura: About Rice Street.

Mr. Rapozo: Go ahead.

Ms. Yukimura: So we're not doing anything about the inadequate sidewalks in this project?

Mr. Tabata: Not at this time. That would call for a major retrofit, so the plan is when we do the repaving of Rice Street to upload that and reprogram to include the retrofits and we're using STIP money, I'm sorry with the use of STIP funds.

Ms. Yukimura: Okay. And do you know what kind of a time frame we're thinking about that?

Mr. Tabata: I don't have that right now.

Ms. Yukimura: Okay. Because I mean --

Mr. Tabata: But the road diet we can assure will be within the year.

Ms. Yukimura: That is wonderful.

Mr. Tabata: And improvement.

Ms. Yukimura: Yeah. I really am grateful for all of this very creative thinking how to do the low hanging fruit, how do get things done quickly, but I also am aware that the sidewalk issue is something that is a prerequisite to Rice Street coming back as a more well used street and a more business district kind of street that's all..

Mr. Tabata: So to clarify majority of Rice Street does meet the standard. If we want to take it to the next level on one side of the street we will need to do more right of way acquisition.

Ms. Yukimura: Right. That's on this side of the street where we are now?

Mr. Tabata: Yeah.

Ms. Yukimura: Yes Central Pacific Bank side.

Mr. Tabata: And there are some obstructions which we will have to move on the clear side.

Ms. Yukimura: But for the sidewalk cafes and that kind of thing.

Mr. Tabata: Definitely, so that would require a major retrofit of which -- then we -- I don't think we can afford on our own so if we do the 80-20 with STIP and the Federal money it would become more affordable for our community.

Ms. Yukimura: And you know actually we need to have a community facilities program that works want just for the big developer, but that works for the smaller community needs because that's one way we could do it.

Mr. Tabata: That's where we would ask for your help with that, so I think what you're asking for we will have include in the development plan with planning with Planning.

Mr. Rapozo: What JoAnne is asking for is a committee discussion which will happen in Mr. Bynum's committee.

Ms. Yukimura: Yeah just some study and checking on -- because you know the CFD Ordinance that we passed was touted as something that would be available for like Kekaha and elsewhere but it's not really workable and we have to find something that is and I'll take that on as a project.

Mr. Rapozo: Good for you. I cannot wait. Mr. Kualii, and Mr. Bynum. And I think we have a tape change coming up in a couple minutes so go ahead Mr. Kualii.

Mr. Kualii: Just for a little bit of clarification because you were mentioning the Civic Center side improvements and the road diet what have you...this Rice Street crossing improvements is for relocating and restriping walks. You mentioned bicycle lanes. Is there striping for bike lane up and down Rice Street?

Mr. Tabata: Yes.

Mr. Kualii'i: So in fact if the bike lane is on the edge where the sidewalk is too narrow, bikes and walkers can share that area maybe?

Mr. Tabata: We are using the existing right-of-way, the paved right-of-way to do... well...

Mr. Kualii'i: You are going to lose parking spaces.

Mr. Tabata: I think we should discuss it in Committee because we will be revealing too much right now.

Mr. Kualii'i: But bike lanes are included –stripping?

Mr. Tabata: Yes.

Mr. Kualii'i: Thank you.

Mr. Bynum: I'm not going to get into the details and we will do it later even though I want to ask these questions, but I want to say I am pleased with these answers I am hearing right now and taking the initiative short term and when Councilmember Yukimura asked the question how are we going to address inadequate sidewalks and three years ago we heard there wasn't a problem and not at this time and there is thought process and it's wonderful.

Mr. Rapozo: I know there is a question in there someplace, Mr. Bynum.

Mr. Bynum: Do you realize how pleased I am with these answers?

Mr. Tabata: I do now.

Ms. Nakamura: I have a question about the Wailua emergency by-pass improvements slated for one million dollars in the PID...

Mr. Dill: Excuse me, Councilmember Nakamura. When Highways comes up, that will be one of their projects.

Ms. Nakamura: Oh, I am sorry.

Mr. Rapozo: I guess it is safe to say that we are... as we go through complete street/safe streets, we got to be kind of flexible because as you develop this contract, things will change. With that, standby, do not leave your seats, we are going to take a tape change.

There being no objections, the Council recessed at 3:33 p.m.

The Council reconvened at 3:36 p.m., and proceeded as follows:

Ms. Yukimura: I want to ask some questions about the Northern leg by-pass road, we have one point three million dollars there and do you have a PID for it?

Mr. Tabata: Yes I do.

Ms. Yukimura: Where is it under? Highways? I do not have
Engineering.

Mr. Kualifi: Other?

Ms. Yukimura: Is it up to date so we can actually ask questions from
it?

Mr. Tabata: I believe so.

Ms. Yukimura: Well, first I have to find it.

Mr. Dill: (Inaudible) Actually four thousand with the County
funds... the one point three, nine, two million total is four hundred thousand out of the Highway
Fund – County Funds and the remainder is Federal Highway. Just to clarification.

Mr. Rapozo: It is in Highways, it is the third PID from the end. I
am sorry – the fourth.

Ms. Yukimura: So, it appears from this PID you are following the
1997 long range transportation plan that is now being updated because it is so old?

Mr. Tabata: That is the current plan that we have the 1997.

Ms. Yukimura: And we are going to spend one point million dollars
before we decide that what our current direction is? Because we are right in the middle of updating
the plan, like within a year, I think.

Mr. Tabata: Council, if I may... in the meetings I have attended
for a long range transportation plan, it is a project and because we already on the skip it is moving
forward.

Ms. Yukimura: You know the more recent plan is the Kōloa-Po'ipū
circulation plan and that plan and done maybe in 2007. While it's on the list it's not to be done for
another ten years and there are many other projects that are immediate priorities or year one, or
even two to five that are said to be our priorities for the County that I don't see funded in our
projects right now. For example 85,000 for downtown sidewalk enhancement, Waikomo Road, and
Po'ipū Road – safety enhancements one point two million. Kōloa-Po'ipū shuttle service – three
hundred thousand and there are County projects... I do not know. Kōloa Town traffic flow and
safety improvements a hundred thousand, so how are we reconciling those priorities?

Mr. Dill: We have other projects and I'm not sure how they
match up with your list and we have other projects we're pursuing.

Ms. Yukimura: Well I am just talking about the six year CIP process
and it's supposed to be tied to our infrastructure is tied to the land use plan.

Mr. Dill: And this plan was initiated some time ago with the
environmental and near the end, so this project won't be implemented for construction several years
down the road...

Ms. Yukimura: But you are going to...

Mr. Dill: Environmental has to complete the design and we have a partnership, if you will with Kukui'ula right now – it is part of their development that they are providing for this project. It is wise for us to take advantage of it while it is available to us. And while we put it on the STIP fund and it was put on the STIP fund so we can get Federal Highways money to support this as well.

Ms. Yukimura: Will twenty million dollars and four million from the County?

Mr. Dill: For the design at this stage, we are requesting.

Ms. Yukimura: We are doing the project for Kukui'ula?

Mr. Dill: No, no.

Ms. Yukimura: Well, who is setting the priorities? What if we want to use Kukui'ula's money for some other impact fees?

Mr. Dill: No, it is not using the money. We are using their land as a self match for the Federal Highways money.

Ms. Yukimura: Okay, and they are giving that to us as part of their obligations under the rezoning law – ordinance?

Mr. Tabata: That is part of the ordinance.

Mr. Rapozo: That was part of the zoning conditions.

Ms. Yukimura: Was it specifically giving land for the Northern bypass?

Mr. Tabata: It says that they will participate in getting the land for the County.

Ms. Yukimura: That land for that project?

Mr. Tabata: That is correct.

Ms. Yukimura: Okay, but we still... this presumes four lanes through Maluhia Highway, right? Through the tree tunnel? I mean, you are going to funnel all that traffic all the way up to Maluhia now, so do we have money... and we actually going to be able to do that? And four lanes from the tree tunnel to Lihue? I mean that is really the total cost of the project if you are going to make that work.

Mr. Tabata: We have a planning project for Maluhia Road.

Ms. Yukimura: Is that in this budget?

Mr. Tabata: That is correct.

Ms. Yukimura: Where is that? We will not talk about it but I just...

Mr. Rapozo: Well, it is on this list.

Mr. Tabata: Maluhia Road improvements.

Mr. Rapozo: Those projects are there.

Ms. Yukimura: Is that on the same page?

Mr. Rapozo: Yes, it is.

Ms. Yukimura: Can you just...

Mr. Rapozo: Six hundred and sixty-nine thousand...

Mr. Tabata: It is planning money, it is our match to go with the
STIP.

Ms. Yukimura: I do not see a hundred eighty.

Mr. Tabata: The next phase of what is going on with Kaumuali'i
Highway is the Līhu'e Mill Bridge and then they are going to pick up where they are leaving off all
the way to halfway bridge. And then they will continue from halfway bridge on to Maluhia.

Ms. Yukimura: And how much money is there for that? How much
does it cost and how much money will we have?

Mr. Tabata: It is the State's project.

Ms. Yukimura: But they are getting Federal money to do the State's
projects, right?

Mr. Tabata: Yes and it is high on their priority.

Ms. Yukimura: So, it is higher than the Wailua-Kapa'a by-pass road?

Mr. Tabata: At this time.

Ms. Yukimura: And it is higher than the northern bypass which is
going to need... I mean the northern connector which is going to need Federal moneys too?

Mr. Dill: The northern connector road?

Ms. Yukimura: Yes, the northern connector road... you said it is a
twenty million dollars and we are going to get... right? You are going to get sixteen million from the
Fed's and four million from the County.

Mr. Tabata: As we progress, we move up the later. We are in the
planning and development still.

Ms. Yukimura: At a time of declining Federal moneys?

Mr. Dill: I cannot tell you what are the priorities for Federal
Highways right now. I can tell you that these projects are there right now and prioritized for STIP
right now.

Ms. Yukimura: Lyle, you were there at the long range transportation planning process, we are talking about a whole different system, we are talking about complete streets on the level of intercommunity connection. You have only cars feeding into your small community. You can have complete streets but if they're filled with cars. What is the scenario we're working for? What is the vision for the island in terms of transportation? And I won't go there but we should have another discussion about it.

Mr. Rapozo: And we can, Councilmember Yukimura.

Ms. Yukimura: And that ties in and we will go to that with Planning, the general planning technical studies which you say are almost a million dollars for complete streets.

Mr. Rapozo: Hold that JoAnn.

Mr. Tabata: Complete streets are component of these plans. In each of these plans, complete streets will be included and recognized as part of the discussion.

Ms. Yukimura: I will wait for Planning to ask those questions.

Mr. Rapozo: I think the northern leg project is ongoing. This is not a new project, this is a project that has been going on for many years. It is a condition of the rezoning application of Kukui'ula which in fact they were required to provide the land. We knew back then that it was going to be an expansive project because it goes through cross of water way and there is some core of engineering issues. We talked about the twenty million and it will probably be more by the time we actually build that road. What it does, it clears up that intersection and takes away a lot of congestion in the Kōloa Town by the Chevron. This is the discussions we had Larry well before you even stepped foot in this County and some of these projects are ongoing, some of these projects are on the STIP, we have somewhat committed to the project. I agree with some of the concerns of Councilmember Yukimura but I think we need to understand that some of these projects are... we need to see it through and it is going to be expansive.

Mr. Tabata: You are right and being that being that the State is (inaudible) to spend the Federal money, if we do not stay on track the State stands to lose the money.

Mr. Rapozo: Correct.

Mr. Tabata: Which goes all the way down to us.

Mr. Rapozo: Right.

Ms. Yukimura: And the money is not available for some of the projects that might be community priorities?

Mr. Rapozo: It's going to be record for another jurisdiction that has a shovel ready project and that's where it will go.

Ms. Yukimura: Well we don't have a shovel ready project.

Mr. Rapozo: Exactly.

Ms. Yukimura: So the question is should we spend money to get that shovel ready or to get another project shovel ready?

Mr. Dill: The point that is being made is that if we do not use these funds that are currently on the STIP and approved, Kaua'i stands a strong chance of losing that money for any project and it will be gobbled up by the State or another County.

Ms. Yukimura: And this STIP money is for the design of the project?

Mr. Dill: Correct.

Mr. Bynum: I actually like the answer I am hearing compared to a few years ago because you're talking about completing a planning now, and I heard you say no decision or commitment to construction is being made at this point for either of these. Is that correct?

Mr. Dill: We are definitely moving in that direction...

Mr. Bynum: But the money that is in here right now is to complete the planning?

Mr. Dill: We are currently right now completing the planning stage and this money here that you see in budget is to move into the design stage.

Mr. Bynum: And that includes the fulfillment of the conditions?

Mr. Dill: Correct.

Mr. Bynum: But that is not a commitment to construct?

Mr. Dill: Correct.

Mr. Bynum: And Maluhia... I am having a hard time reading this...

Mr. Rapozo: Maluhia has four hundred eighty-nine thousand, two hundred forty-four of STIP money and the County match of one, twenty-five for a grand total of six hundred and sixty-nine thousand, two, forty-four. That is including fifty-five thousand proposed money for this budget from the Highway fund.

Mr. Bynum: We are adding fifty-five?

Mr. Rapozo: Correct.

Mr. Bynum: And that also is about planning and design?

Mr. Dill: This is planning.

Mr. Bynum: Because I want to take a step back and say there was this Kōloa-Po'ipū circulation plan and that the community identified priorities and I agree with Councilmember Yukimura and if you guys aren't familiar with the plan and history please get familiar with it and the history because the community had a pretty strong investment in some of these projects and this was in the planning process and we thought the process was so good we hired him for the plan, and one other thing that is related to all of this is Councilmember Rapozo

talked about and the intersection by the Chevron and the northern bypass is in place now, connects to that road, and the one connector road is just this much short and that's a high priority for me and I have been trying to get answers on that for a long time, so do you know what I am talking about? I mean there is a long huge several miles where there is no connector between the two. The road ends except the last few feet and the right-of-ways and the turn lanes. I have been trying to get that back on the radar screen. But I think the northern leg of it is probably not something that we will do in the next 10 or 15 years. I don't think it will be on the State's priority in that time, but completing this design and to complete the things that Kuku'i'ula have agreed to seems like - especially with these funds. I am fine with that answer. I would have difficulty about putting huge amounts of county money into that what will be a really expensive project until some of the things that Lyle is talking about come to fruition with the state and we're talking 15-20 years and we're going to get the bridge here and just pass the college and we're not going to see a lot more for a long time is my prediction from the State on that.

Mr. Rapozo: Councilmembers, May 5 the Administration is submitting another supplemental. You have until that time to lobby them and get it changed or at the end of the day you have the opportunity to vote any of the projects down. I don't know if this is an opportunity for us to debate with them. This is their priorities. We basically say yes or no, but if you have desire for a project I suggest that you get to them before the May 5 submittal and maybe you can change their minds. I don't know.

Mr. Bynum: I think Larry's sense of we are so deep in to this now and if we do not, we are going to lose that STIP money and unlikely it is going to go elsewhere on Kaua'i, I think that is a good assessment.

Mr. Rapozo: That is a constant with the STIP projects – Federally funded projects included the bikepath. That is what we hear all the time – if we do not spend it, we are going to lose it – that is the fact of life. We just got to understand that this is the Administration's priorities and I can tell you as we get into decision making, I personally will have some suggestions to remove some of these projects and move the funds back to surplus funds or reserve funds or general fund, but that is just me and we all have that opportunity. Any other questions on the funding of the Northern leg – Kōloa by-pass.

Ms. Yukimura: So, we are using Highway moneys for this – a hundred and twenty-five and fifty-five thousand, that is from our Highway fund?

Mr. Dill: That is correct.

Ms. Yukimura: So, we are using these money's instead of for repaving, we could put it our repaving account, we are taking it to build new roads instead of actually up keeping our existing roads?

Mr. Dill: That is correct.

Ms. Yukimura: Okay. That is a very conscious choice and a lot of communities are being to realize that they have to wrong ratio but we will talk about that later.

Ms. Nakamura: The Līhu'e by-pass feasibility study. I was just wondering, I was looking at the project information document relating to this...

Mr. Tabata: It is right above Maluhia Road, page three (3).

Mr. Dill: In the middle of page three (3).

Ms. Nakamura: So, my question is the timing of this, what do you... what is your timing and what do you want to... do you have a consultant lined up?

Mr. Dill: We do not yet. This is a preplanning feasibility study to do some preliminary design, preliminary cost estimating, preliminary routing. We do not have a consultant onboard for this yet.

Ms. Nakamura: Can you generally describe the location of this proposed by-pass?

Mr. Dill: It is in the same 1997 Kaua'i long range transportation plan. The by-pass runs and again conceptual right now from Kūhi'ō Highway at the Kaua'i Beach Resort intersection, run down behind Hanamā'ulu, makai of Kalepa Ridge and then following cane haul roads through Grove Farm land all the way to Puhi.

Mr. Tabata: Comes out to Rapozo crossing.

Ms. Nakamura: Approximately, what is the length of that?

Mr. Dill: Ballpark – three (3) miles but I do not have an exact number for that.

Ms. Nakamura: Okay. So it is just to check on the... it is in the State long range transportation plan?

Mr. Dill: Yes.

Ms. Nakamura: Is it on the STIP?

Mr. Tabata: Yes.

Mr. Dill: This will be putting it on the STIP. So we had discussions with them and they had planning moneys available for this sort of thing, so we are in discussions with the State about that, yes.

Ms. Yukimura: So it is not on the STIP but you are trying to get it on the STIP?

Mr. Dill: Correct. They have given us indication that this is something that they can fund.

Ms. Yukimura: Why are we doing all this funding on a plan that is about to be changed? That is very old and that was supposed to have been updated in 2002?

Mr. Dill: You are correct that it is an old plan that is currently in the process of getting updated but from the meetings that I have attended and Lyle has attended, this is a project that has support.

Ms. Yukimura: From whom?

Mr. Dill: From the people that attended the meeting and State Highways does.

Ms. Yukimura: Yes, the State Highway guys want to do their plans, that is for sure but who should determine what the plans are for our island? Has it really been vetted in the community?

Mr. Dill: That is the purpose of those communities meetings. They have had community meetings, I know that you have attended and I have attended and...

Ms. Yukimura: You mean the long range land transportation planning process?

Mr. Dill: Yes.

Ms. Yukimura: They have one community meeting and there is no draft plan, you do not know what direction the plan is going, so you cannot say they are in support for the 1997 plan.

Mr. Dill: The 1997 is formally adopted plan so there is support for that plan.

Ms. Yukimura: Excuse me?

Mr. Dill: The 1997 Kaua'i Long Range Transportation Plan is a plan that has been formally adopted, so there is support for that plan.

Ms. Yukimura: This was adopted in 1997, how do you know... I mean other than the bureaucracy that is set up to follow these plans, how much assurance do we have that is really meeting our land use policies and our current... I mean look at complete streets, the change around in thinking. It is a different day. How can you say there is good community support for this idea?

Mr. Dill: We are following an adoptive plan.

Ms. Yukimura: That is soon to be change, possibly.

Mr. Dill: Updated... yes.

Mr. Rapozo: Well, the community's voices will be heard when we go to decision making, that is where we will decide if in fact we are ready for that or not. Again, this is what they want to do, JoAnn and I agree that plan is old but it is the adopted plan and I support that by-pass road, I can tell you now, personally and my constituents will say yes. I would assume even with the updated plan and who knows but I would assume that in the updated plan, the by-pass would be included because it is...

Ms. Yukimura: Sure, in the context of a car base society, that makes sense but we do not know one (1) if we can actually support a road system that is going to be continually car based because many communities are finding out they cannot support it and therefore are spending a lot of money to do a system that they cannot build and they are spending money building new roads and they cannot even maintain their old ones.

Mr. Tabata: Your point is well taken and my new education on being educated on the STIP process and sitting in on these meetings, to get on the STIP is almost an act of Congress. Nothing will get on the STIP unless it is on one of these long range transportation

plans. We have this opportunity to get these processes moving and you all know how long projects take, up to eight years to get a fully to construction in the STIP process. We still have to follow whatever plan is there 1997, 2007 or... Engineering has this backlog and we here coming in are just trying to steward this move things that we see should be the priorities to keep the ball rolling and not dropping it to make sure our County does not lose opportunities.

Ms. Yukimura: One last comment and I will be done. I totally hear what you are saying Lyle and that shows the power of a plan and that is why I am saying that this community has to participate in the plan that is coming up because that sets the course. In setting the course, we have to make sure that it is a feasible plan otherwise we are pouring moneys into things that do not come to fruition and that is wasteful.

Mr. Rapozo: Thank you. Any other questions on the Līhu'e by-pass feasibility study? That is exactly what it is, a feasibility study to see if it is feasible, it is unfortunate that we got to pay so much darn money – it is what it is. Anymore on page three (3)?

Mr. Tabata: The previous page, page two (2) are the drainage projects that are part of Engineering also, I did not want to miss that opportunity, we have a clock but...

Mr. Rapozo: Let us finish on page three (3) and go to page two (2) and then go to page eight (8) because we got some engineering projects on page eight (8) as well.

Ms. Nakamura: Can I ask about the Wailua emergency by-pass or is that another... for me, it is showing on Highways.

Mr. Rapozo: Page two (2) Engineering drainage projects. Would you like to give us an overview? It is self-explanatory. Eight hundred six thousand dollars of new bond money for the levee repairs and culvert replacements.

Mr. Dill: We are moving money from general to bond funds.

Mr. Rapozo: Correct. That is not totaled out but about three hundred thousand dollars transferred over or less than three hundred. Hanapēpē levees, Waimea levees...

Ms. Nakamura: Do these repairs showing here on the Hanapēpē, Waimea levees help to bring us up to the Corp of Engineers standards?

Mr. Dill: The Hanapēpē levee is in compliance now, so it is back in compliance and active in the program. The Waimea levees – we are close and these projects are not directed on getting us back in compliance because that is already in the works, so these are separate issues. I would say that they are related to maintaining compliance.

Ms. Yukimura: Congratulations and thank you for getting us back to compliance or close to it, that is a real service to all the people who live in that area.

Mr. Rapozo: Moving on to page eight (8). Larry, if you could just tell us what projects on page eight (8) are Engineering projects?

Mr. Dill: The first one is the biennial bridge inspections and this is a project that we do every two (2) years. We are contracting consultant to inspect our County bridges – are Federally funded project.

Mr. Rapozo: Moving on.

Mr. Dill: Hanapēpē Bridge.

Mr. Rapozo: Nothing new?

Mr. Dill: Nothing new.

Mr. Rapozo: Okay. We are moving forward, you guys are meeting
with the community and everybody is happy? That is ongoing, right Larry?

Mr. Dill: Yes.

Mr. Rapozo: And in process, I should say.

Mr. Dill: Correct.

Mr. Rapozo: Moving down. Is Hanapēpē public access yours?

Mr. Dill: Yes.

Mr. Rapozo: What is that? It looks like we removed that.

Mr. Tabata: This is being combined with new project we are
developing to...

Mr. Rapozo: The lot improvements – the parking lot
improvements?

Mr. Tabata: No... the Hanapēpē public access – that is tying into a
new project that we are going to be developing and bringing forth for the next fiscal which would be a
multi-use path from Hanapēpē Town to Salt Pond Town, along the coastline.

Mr. Rapozo: Perfect, that would be nice.

Mr. Tabata: But the next project is Hanapēpē Town parking lot
improvement.

Mr. Rapozo: Okay, that is a new add.

Mr. Tabata: Yes, we have done our due diligence and this is what
we are asking for to improve that – it is an executive order piece of property in the middle of town to
add to parking facility.

Mr. Rapozo: Is this near the whole town where we have the Art
Fair?

Mr. Tabata: The Swinging Bridge area, yes. And to put lighting.

Mr. Rapozo: How many stalls?

Mr. Tabata: Off the top of my head, I do not have that.

Mr. Rapozo: That is definitely is needed because that place, especially on the...

Mr. Tabata: And we have met with the community and they choose the method of creating the lot.

Mr. Rapozo: Anymore going down Engineering projects?

Mr. Dill: Kamalu Bridge.

Mr. Rapozo: That is a shared project with Federal Highways, correct?

Mr. Dill: Correct.

Mr. Rapozo: Moving on down.

Mr. Dill: Kapahi (inaudible) Bridge are historic bridges in the Wailua – Kapa'a area are moving forward with the 106 process right now with Federal highways during community meetings to make sure (inaudible)

Mr. Bynum: Context sensitive design, recognizing the historic nature of these bridges particularly in my mind – Opaikaa?

Mr. Dill: I would encourage you to attend the meetings to make sure you...

Mr. Bynum: I encourage you to let me know when they are so I can put it on my calendar.

Mr. Rapozo: Opaikaa Bridge concerns me because that bridge is... I know the weight limit was lowered. I do not know how often, I know we got the funding for the bridge inspections but I do not know when Opaikaa was last inspected and that is kind of scary. I trust the inspector but... we will send something over to get a copy of the most recent inspection but I am worried about that one. Is Kapaia Swinging Bridge on yours as well?

Mr. Dill: Yes. The Kapaia Swinging Bridge – our plans are changing because of the recent damage from the storm. We are consulting Engineer to prepare the plans for repair. They were out here to do an inspection and we have to reassess and regroup.

Mr. Rapozo: And you have explained it well, yesterday.

Ms. Yukimura: On Kapaia Swinging Bridge, at least what I understood to have been said yesterday is different what you told me informally Larry and I want to get it on the record.

Mr. Dill: Sure. An update to what Lyle presented was that – our consulting Engineer had prepared drawings to do some repair work of the bridge. Obviously the scope of that has changed, and I want to make sure - what else did we share in our conversation? That he was going to look at...

Ms. Yukimura:
stabilizing the bridge, right?

I think what you sent to DCAB was a design for

Mr. Dill:

Thank you, yes.

Chair Furfaro:

I just want to add, stabilize the two (2) towers.

Mr. Dill:

Yes, the two (2) towers and a little between.

Chair Furfaro:
(2) towers.

But the primarily what we had approved was the two

Mr. Dill:

Right, that was the focus of this.

Ms. Yukimura:
me and I could have heard wrong was to destabilize the two (2) towers in some way that is not fully understood yet.

And what the floods did was to... and I heard you tell

Mr. Dill:

Correct. The engineer and he's original assessment said you need to basically replace the two (2) towers, he later came to the conclusion that one of the towers is okay and so we are going through phase one of the towers as well as some of the deck and of course the body will be relooked now because it looks like the towers sustained significant damage from the storm.

Ms. Yukimura:
design that was done by DCAB is no longer current?

So we are actually back to square one (1) because the

Mr. Dill:

That is correct.

Ms. Yukimura:
from it which I do not think yet had been done would have to wait for a reassessment?

And even cost estimates that would have been drawn

Mr. Dill:

That is correct.

Mr. Tabata:
back and (inaudible) but he at least (inaudible) to go and clear debris, so we are starting that process. The right of entry so Roads can go in and clear the debris.

That is what I represented the Engineer had to go

Ms. Yukimura:
you start or something like that but I did not know what the context of that was so...

I also heard that four (4) months to construction once

Mr. Dill:
the scope is going to be.

(inaudible) because we do not even know now what

Ms. Yukimura:
reassessment? When would a reassessment be done to give us some idea of what the situation is and what would be needed if the goal is still to stabilize the bridge?

I guess the question would be when can we get a

Mr. Dill:
his opinion is salvageable now at this stage and until I do that, I cannot tell you...

I have to talk to the consulting engineer to find out in

Mr. Rapozo:
do not think DCAB will be much different because it will be the same plans, it will be the same

Larry, we will send that over in a written request. I

designs. It's not going effect I don't believe unless we are going to change the design. So we'll send that over and when you can respond as far as...any more questions on page eight (8)?

Chair Furfaro: I just want to make sure you guys are going page by page. I plan to be here and we will order dinner if necessary. Make sure your people are on call Larry.

Mr. Rapozo: I think you'll be happy to hear that we are done with engineering.

Ms. Yukimura: I have a question.

Mr. Rapozo: Mr. Chair you know have...

Chair Furfaro: Why don't you finish it up since you only have one question left.

Ms. Yukimura: Two more questions.

Mr. Rapozo: Okay go ahead Councilwoman Yukimura.

Ms. Yukimura: So this speed hump traffic calming program shows 68 thousand and my question is what is the intention for those monies?

Mr. Kudo: Those monies are for speed humps, speed tables and generally draw money from those two items for materials.

Ms. Yukimura: Are speed tables actually qualified under the present Ordinance?

Mr. Kudo: I believe so.

Ms. Yukimura: It says speed humps but are you folks interpreting speed humps to including speed tables?

Mr. Kudo: Yeah.

Mr. Dill: Look under traffic calming programs.

Ms. Yukimura: I'm sorry.

Mr. Dill: If it didn't follow and

Ms. Yukimura: So you have some of your own in house rules about how to do traffic calming then? I mean say a community comes to you and says we're worried about speeding. Well, they come to us often, and the only thing we reference is the speed hump Ordinance which is quite limited if you read it verbatim, and so -- I mean bravo that you're thinking bigger than speed humps, you know, but how are you applying it?

Mr. Tabata: So talking about traffic calming devices other than speed humps is part of what we're working on to upgrade the living streets manual for complete streets and that is a component of one of the chapters as traffic calming, and we will be preparing something to bring forth .

Ms. Yukimura: Oh I see that is really helpful. You call it living street standards?

Mr. Tabata: We are talking the Los Angeles County Living Streets Manual and adapting it to Kaua'i, so we will probably call it the Kauai Living Streets Manual.

Mr. Dill: This is our living streets manual we have been working on.

Ms. Yukimura: Nice. That's wonderful. So you're going to work on this manual which is something that you adopt in house, but if you need authorization or enabling legislation you will be coming to us with a bill.

Mr. Tabata: Exactly. We are working -- when we complete it and we combine what Planning is doing with Subdivision Ordinance we will determine whether or not we bring something forth for legislation.

Ms. Yukimura: As Councilmember Bynum has noted it's so wonderful when the administration is doing things before we even talk about it. It's really a joy. Instead of us trying to pull teeth and get you to adopt concepts you're already there. It's really wonderful.

Mr. Rapozo: Anymore questions?

Ms. Yukimura: One more. Hapa Trail. It's dollar funded. Because I know we have this (inaudible) where the State has claimed that it owns Hapa Road but we have a goal a County goal. It's part of the Kōloa-Po'ipū Circulation Plan. So how are we going to now proceed to achieve our goal with Hapa Trail? It's noted as a key pedestrian and possibly bike -- I don't know, but anyway a multi-use path between Kōloa and Poipu and was identified as a really important part of the Koloa-Po'ipū Circulation Plan, and the idea of bikable walkable communities --

Mr. Dill: We have to talk to the administration to find out their desire to proceed with the acquisition of Hapa Road or if not how we can incorporate it into the plan.

Ms. Yukimura: Because I don't think the State has plans for it.

Mr. Dill: Not that I'm aware of.

Ms. Yukimura: And so -- I mean so maybe just a simple request that they give us a deed and transfer that trail to us because we have plans for it. That are tied in with the land use and other planning. Maybe that might just begin to open up the project for us again. Thank you.

Mr. Rapozo: If we can get a dollar a year least, we can at least get at least one year's worth with that dollar in that line. Mr. Chair.

Chair Furfaro: Larry, please make sure you check in with Ian Jung and Mauna Kea on this. They were the point people on the challenge with the State on the Hapa Trail. And then on the speed bumps did our -- or the speed table did our community individual out in Hanalei. Did he ever get back to us specifications the speed tables? Did he ever get us back the specifications on the speed table?

Mr. Rapozo: I can answer that because he did – well I was cc'd on it and I don't know -- I am trying to think who got it on the administration side.

Chair Furfaro: I just want to know did you get it and I don't need to know who got it and the dialogue then and did we get it?

Mr. Tabata: I was just informed that we are still working with the gentleman from Hanalei to try to get us the information that we need.

Chair Furfaro: Okay. Because I want to make sure that his testimony indicated that some of the tables needed to be r & m'd or replaced.

Mr. Tabata: Right.

Chair Furfaro: So I assume some of the money is for that if that occurs. You just reaffirmed what I wanted to know. Thank you Mr. Rapozo.

Mr. Rapozo: Thank you. Is that it for page eight? We are done with engineering. Mr. Chair, I will turn it over to you. We have been going for almost an hour -- no, almost two hours so if you would like to take a caption break now -- who is coming up next? Highways? Automotive.

Chair Furfaro: Okay. Let's do automotive and I want you folks to know economic development is one project on the Ag Park. There were 23 questions sent over to Economic Development regarding the Ag Park. That is the only item that we have in CIP for him so I'm going to cross that off the list here until we get those responses. Everybody got that? Item I. Most of the questions were focused on the Ag Park. Okay. He's not here.

Ms. Nakamura: Okay.

Chair Furfaro: Not on the island. We can add some more questions if you like. Staff would you note that we have some written questions by individual Councilmembers regarding Economic Development. We have somebody -- you got my notes that off the list. Do we have an opportunity to have somebody here for -- what was the other? Al, what the other? I thought we were going to contact Paula.

Mr. Barreira: Yes chair. We made contact with the Boards and Commissions to see if they can do the Anti-Drug Presentation because the Anti-Drug staff is over in Waimea at the special project.

Chair Furfaro: Right.

Mr. Barreira: The other one was --

Chair Furfaro: So is she able to do it?

Mr. Barreira: I am waiting for a reply.

Chair Furfaro: Okay.

Mr. Barreira: And the other issue we spoke of was in terms of OED's energy presentation will be handled by Glenn Sato.

Chair Furfaro: Okay but you note Economic Development we're going to tack on more questions that went over on the original 23.

Mr. Barreira: I understand.

Chair Furfaro: And you will let us know about Paula's visit.

Mr. Barreira: Yes.

Chair Furfaro: While the Anti-Drug Coordinator is at a program.

Mr. Barreira: Yes Chair Furfaro and I have the response of those original 23 questions. I thought I sent it. I have been informed it wasn't received so I will resend it.

Chair Furfaro: Thank you. Okay. Mr. Dill we're going to go to Automotive.

Mr. Tabata: Automotive has two projects on page eight and then Dwayne will be discussing those.

Chair Furfaro: Okay. Welcome back again. Two days in a row; right?

AUTOMOTIVE

DWAYNE ADACHI: No, I had a break.

Mr. Tabata: Do you have his handout? He just passed handouts out and his PID's are at the back of highways, the last two in the Highway section.

Chair Furfaro: Okay. For the record you are going to have to introduce yourself again.

Mr. Adachi: Dwayne Adachi, Department of Public Works Automotive Division. Good afternoon.

Chair Furfaro: Good afternoon.

Mr. Tabata: Okay. Sorry I made an error. It's not page eight.

Mr. Dill: One of them is on page eight.

Chair Furfaro: We have one item page eight and the other item is --

Mr. Dill: We are hunting. One is on page eight and the other on page 3.

Mr. Adachi: On page 9.

Mr. Dill: Look it is the same thing on page 3. Page 9 is like the summary. That is the dollar funded.

Ms. Yukimura: Which one are we doing first?

Chair Furfaro: I think we are going to do the top one on page 8 first and the other one is the fuel automation. Where is that on page 3? Fuel is on page 3 Larry?

Mr. Dill: Auto shop improvements. It is near the top. It is the third (inaudible) got it?

Mr. Chang: You got improvements on page nine also; right?

Mr. Dill: 9 and 10 are the summary pages. Yeah.

Chair Furfaro: Okay. You want to do the auto shop first. Which do you want to do first?

Mr. Adachi: Up to you guys.

Mr. Dill: Auto Shop first.

Chair Furfaro: let's do the auto shop first then.

Mr. Dill: Page three.

Mr. Adachi: Okay. I passed out a brief description of the project. It's basically department of Public Works Automotive Maintenance Facility located at 2820 Wehe Road, Lihue. Facility consists of two buildings situated on 1.5 acre parcel opened in 1978. The main building is 125 feet long by 60 feet wide with 30 feet ceiling and a secondary building is 175 feet by 30 feet wide. The fleet maintenance operation for the county has grown tremendously over the last 34 years and we are in desperate need of operating space within this facility. Our entire inventory is over flowed it's designated storage area and we are storing tires outside in the lot and also in a 40 ft storage container located in the southwest corner of the property. We plan to construct a 60-foot by 25-foot upper level storage platform above our current tire storage area in the main building. The storage platform will be ADA compliant and load rating of 200 pounds per square foot. By storing our tire inventory on the upper level storage area it would clear approximately 2400 square feet of needed operating area on the ground. The total cost to complete this project including design, consultant and construction will be approximately \$400,000.

Chair Furfaro: Okay. Is there questions posed Automotive Equipment Maintenance Facility improvements? Vice Chair Yukimura?

Ms. Yukimura: How fast do you anticipate getting this done if the money is put in the budget?

Mr. Adachi: Well, the time line is indicated in the PID.

Ms. Yukimura: Oh in the PID, 10 months. So let's see, so you would go three months for professional services --

Mr. Adachi: We would -- the first step is to solicit a design consultant, select the consultant. Have that consultant design the platform, and then we go out for a contractor.

Ms. Yukimura: So you would expect to go out for construction before next budget or by the end of -- within the fiscal year?

Mr. Adachi: We'd expect at least within six months.

Ms. Yukimura: Yeah.

Mr. Adachi: To get the contract (inaudible).

Ms. Yukimura: And you would have to do logistics of moving out of the bottom floor?

Mr. Adachi: No. We will continue to operate.

Ms. Yukimura: Okay.

Mr. Adachi: And work around the contractor.

Ms. Yukimura: Okay. So this is a construction job that can get out pretty fast?

Mr. Adachi: Hopefully.

Ms. Yukimura: It's very resourceful and creative that you're finding out how to make it work where you are already and very good. Thank you.

Mr. Adachi: Thank you.

Chair Furfaro: Any additional questions on this? If not we will go to the Automotive Department second project and that is on page eight, right Larry?

Mr. Dill: I believe so. Yes it is. It is on page eight if you went to the fourth bold proposed CIP project.

Mr. Adachi: Okay. The fuel management system. The county has been operating the Gas Boy Model PC 1000 computerize fuel management system since 2006. Within the last few years we have been experiencing various software and hardware issues with the system and costs for repairs in 2011 was over 15,000-dollar. Our software problems have been ongoing for two years. The company Gilbarco is unable to provide solutions for us claiming this model is obsolete and that we need to upgrade our system. We propose to purchase and install a new fuel master fuel management system to replace the current system. This new system is similar to Gas Boy in operation but of higher quality and less troublesome. Initial costs to install and furnish this new system will be approximately \$125,000.

Mr. Dill: If I may add to that Council Chair I think you're aware that we had a recent audit from the County Auditor and one of the recommendations is upgrading of the Gas Boy System so we're consistent with that audit recommendation. Also Dwayne took care of a large expensive fleet of vehicles and key management tool to help him to take care of that, so we feel it's a worthwhile and appropriate investment to make.

Chair Furfaro: Larry, just so you know as you weren't part of the discussion we had earlier I wanted to make sure that as we select the new documentation system for fuel that we at least share the potential qualities of this system with the Auditors. Okay. And that

we have current records that are periodically checked with specimen signatures for people who have the various cards and so forth. I am not familiar with the actual details of the system but I want to make sure the Auditor's Department is exposed to it and I think we had assurances earlier. Thank you. Mr. Bynum, you have the floor.

Mr. Bynum: Larry, you already answered my first question. The system is consistent with the recommendations in the fuel audit. My second question is Gilbarco the company that is fuel master or a different company?

Mr. Adachi: Gilbarco is the Gas Boy Company. Fuel master is the new system that we intend to purchase.

Mr. Bynum: And it's a different company?

Mr. Adachi: Different company.

Mr. Bynum: Okay. And I mentioned this the other day and I love to research this and it sits in my memory. There was an initiative for Public Works a few years back to do GIS in connection with all of these systems on your vehicles and I think that is a tremendous idea, and I don't know if this company integrates that because it would let you know where all your assets are in the field all of the time. It could be deal with you know potential fraud and other issues, and safety, knowing where your folks are and where your vehicles are and assets in place in case of a emergency and way cheaper then when this was proposed -- my memory if I got it right and a proposal from Public Works that the council rejected. I maybe wrong about that, but I encourage you to look into that because I think it's integrated. Thank you.

Mr. Adachi: Yeah. You know like the GPS you're referring to -- this company Fuel Master, they do not offer GPS but they can integrate with another company that does provide GPS and they have done it in the past for various Counties in the Mainland and the representative I spoke to this morning indicated that we can -- there is a way that we can do it. He's trying to get more information for us.

Mr. Bynum: If you could share that information when you get it I would appreciate it and thank you -- sounds like you have already looked into this option. It maybe seprate but I believe it's integrated as well, so thank you.

Chair Furfaro: Mr. Chang.

Mr. Chang: Thank you Mr. Chair. Howzit Dwayne you know the other day Tuesday that you were here we were having issues with repair. People wouldn't want to come out. Is this something that might need repair down the line or somebody to maintain it? Where is Fuel Master based out of.

Mr. Adachi: It's a Mainland company. Speaking to the people who come down and so the repairs they are familiar...the people that come down and repair our Gas Boy System they are familiar with the Fuel Master System also. They have indicated that trouble calls for the Fuel Master System are 10:1 less than Gas Boy. It is pretty much...this system is of higher quality, constructed of better material, and the paint and the finish of the system is more resistant to the elements in Hawai'i so a lot of people like the military and there are people in Hawai'i that use this system and the people who repair the system say once they install it they hardly go back and visit those guys.

Mr. Chang: So they recommended it? --

Mr. Adachi: They recommended this to us, yes.

Mr. Chang: So do we know if any of the other Counties are using this system?

Mr. Adachi: Yeah there is a lot of Department of Transportation Companies in the Mainland. There are references I got from the Fuel Master Rep that I can share with you guys.

Mr. Chang: Thank you.

Chair Furfaro: Okay. Councilmember Nakamura.

Ms. Nakamura: Thank you for your presentation. How long are these systems supposed to last?

Mr. Adachi: I'm not sure.

Ms. Nakamura: Because 2006 is not a long time where we spend \$180,000 so I am just kind of curious. Is there a warranty on this?

Mr. Adachi: See the thing is we probably got in -- we started to implement that system on the tail end of its life with that company because they have already moved on to a different model and they're kind of pushing us in that direction. They want us to upgrade to their new system, but we have done some research and we identified alternative products out there.

Ms. Nakamura: Okay.

Chair Furfaro: Okay. Mr. Rapozo.

Mr. Rapozo: The construction period you're showing on the PID is 10 months. Is that accurate?

Mr. Adachi: That's an estimation.

Mr. Rapozo: 10 months long to install the system?

Mr. Adachi: Hopefully less, but we need to improve our infrastructure a little and we're having problems with power surges, and we need to adjust those issues also at the time of installation so we need to remove our system, install the new one and upgrade our infrastructure at the same time.

Mr. Rapozo: And you have enough money? The 125 I am assuming the 125 is just the system; right?

Mr. Adachi: Yeah, it's the system and just to get us started. You know we May need more funding in the future.

Mr. Rapozo: Like how much? I don't think we have a choice right now. I think Gas Boy needs to go.

Mr. Adachi: Yeah. We need to get rid of Gas Boy as soon as possible.

Mr. Rapozo: What is the system comprised of? Is it a computer?

Mr. Adachi: It's actually -- it's like a reader. It's a module that communicates to a main computer in our office.

Mr. Rapozo: Okay. I am familiar with the Auto Shop -- you know, the key and all of that stuff, so that's all going to go. We're going to have a new system but the gas tank and that will remain.

Mr. Adachi: Will remain.

Mr. Rapozo: They don't get involved with the storage. It's the scanning --

Mr. Adachi: Yeah, the management system allows the pumps to run and turn them on and off.

Mr. Rapozo: And can use the existing pumps?

Mr. Adachi: Yes.

Mr. Rapozo: Okay. Thank you.

Chair Furfaro: Vice-Chair Yukimura.

Ms. Yukimura: So it would be important to anticipate if there are going to be additional costs either capital or training and operating costs?

Mr. Adachi: Actually the 125 is majority is to get the system running. The additional costs would be to outfit our vehicles with the modules, the electronic modules that go along with the system.

Ms. Yukimura: How much is that?

Mr. Adachi: It's about \$230 per-module per vehicle.

Ms. Yukimura: \$230 per vehicle and how many would we be outfitting?

Mr. Adachi: We have the option to install the module on the vehicle.

Ms. Yukimura: That we install it ourselves?

Mr. Adachi: Yes the system can operate without the module but it's a feature that this system provides that we can it's for added security we can install the modules. If we decide to go that route then we need additional funding.

Ms. Yukimura: So that's a decision you're going to make later?

Mr. Dill: The system we're doing now is similar to Gas Boy in the way it operates as far as (inaudible). Similar to Gas Boy in the way that when you come up to the pump to pump your gas you swipe a card or got a electronic key or something like that but what Dwayne is talking upgrade option would be -- you have electronic module embedded in the vehicle that communicates directly with the fuel master system as you drive up. That would help to eliminate any possibility of fraud because you -- you can switch cars around and keyed modules but you can't readily remove it from the vehicle. A future expense for future consideration. Right now we're looking to replace the Gas Boy and that is the main problem. So we may come back in the future if we are looking to provide additional upgrades.

Ms. Yukimura: And it's truly supplemental rather than essential so with the \$125,000 you can operate? Your basic operations are able to proceed and then if you want additional security or monitoring then you would look at this additional module and come back to us with a proposal in the next budget? Okay. Thank you.

Chair Furfaro: Okay. Mr. Chang.

Mr. Chang: Dwayne, one last quick question. The Gas Boy was 2009 and I guess we're talking about efficiency of going green and all of this. Is that -- do they have stats like they're greener or less emissions or better with fuel economy? Are those things kick in? When you're giving a comparison of the prices for gas and diesel and that huge jump and does this indicate fuel savings?

Mr. Adachi: Basically this is a fuel management system.

Mr. Chang: Management system.

Mr. Adachi: This provides accountability for the fuel. How much fuel we use, where it goes, and it also provides us a tool to enforce preventive maintenance on our fleet.

Mr. Chang: So in the long run wear and tear we will end up saving --

Mr. Adachi: Right. This will help us stay on top of the maintenance issues.

Mr. Chang: Okay. Thank you.

Chair Furfaro: Anymore questions before I close this out? I'm glad to hear the options that we have. Mr. Dill and I are used to a system that lasted almost 35 years. It's a little file card and fill out the name and license plate number, how much gas you put in and fold it in a wooden box with a lock it and accounting comes and they figure out all the cards at the end of the month. I think this is great a upgrade. Dwayne, we don't get an opportunity to see you very often but on behalf of the whole Council we want to thank you for the work that you do and maintaining the fleet and mahalo to the staff down there. Thank you. Okay. Are we close to a caption break? Okay. Let's take a caption break. 10 minutes and we will come back for highways with Ed Renaud

There being no objections, the meeting was recessed at 3:40 p.m.

The meeting was called back to order at 3:50 p.m., and proceeded as follows:

Chair Furfaro: We're back from our last caption break. Mr. Rapozo we have you here for the Parks CIP review. I understand you're turning in the CIP book to us?

PARKS AND RECREATION

Lenny Rapozo: Mr. Chair good afternoon, for the record Department of Parks and Recreation, Director Lenny Rapozo. I have circulated my CIP presentation to you. You should be in possession of it.

Chair Furfaro: I also understand this week you will be...Monday you will be over with the Corp of Engineers.

L. Rapozo: Monday I have meetings with the Federal Highways regarding our bike path or multi use path as well as the Army Corp of Engineers Discussion the flooding issues down at Po'ipū Beach Park lot.

Chair Furfaro: So on that note Members what I would like to do is I would like to entertain a motion for Parks CIP to be called back to order on Tuesday. May I have a motion to that effect? And I would like to go from 10 to 12:00 p.m. Tuesday.

L. Rapozo: Sure.

Mr. Chang: I can make it.

Ms. Yukimura: Second.

Chair Furfaro: Thank you. Must of had a big lunch today. So Lenny that is our attention. The group has agreed that we will recess Parks CIP until Tuesday 10 a.m. in the morning.

L. Rapozo: Thank you very much.

Chair Furfaro: Thank you very much. Okay. Mr. Dill we would like to go back to Ed, and highways. Ed, welcome back. Since our caption break and you have the floor for your presentation.

Roads

ED RENAUD: Good afternoon Council Chair, Councilmembers, Ed Renaud, Road Division for the record. Okay. I have 4 of them but I'm going to cover two of the projects and if you have questions on any one of the four we can go forward and following the same format you had. The Comprehensive Road Maintenance Plan -- that has been in progress -- where are my notes? Okay. For this year we got the Micro Paver Program online. We purchased it. We also are working with the management consultant where we will be working on their contract. Okay. And this is for the management program of the accountability for our roads and the other one is the inventory of roads that go out for bid and that's where we use the monies up for and we're talking about -- we are talking about approximately -- the Micro Paver came in about \$2,000. We already paid. The four winds is approximately \$90,000 we would be finalizing that and the other one is road inspection and inventory where we are looking at something of \$40,000 allocated for that project. Okay. Any questions on that before I go to island wide resurfacing?

Chair Furfaro: Questions?

Ms. Yukimura: Sorry what page where you on?

Mr. Renaud: On page 3.

Mr. Tabata: Page 3 is called Comprehensive Road Maintenance Plan. So we had existing funds of \$53,886 and we are asking for \$110,000. This will include the asset management as well as the road Micro Paver and to complete Micro Paver we are hiring a consultant to do the inventory of the roads and signage, etc. so that it will be a seamless interface into Micro Paver that we will just load up. They do this driving around the community and catalog everything for us.

Chair Furfaro: Anymore questions? Go right ahead, Councilmember Nakamura.

Ms. Nakamura: At the same time they are cataloging, are they also doing the inventory of the condition of the road or is that done in house?

Mr. Renaud: Yeah, the first thing they are going to do is the condition of the road. What the condition is going to do is it is going to tell us island-wide, in every district, what is wrong with that particular road. It may be collector roads, it may be roads that are most used and every other County roads. From that formula we can produce, we can go the total thing, find out what the actual cost would be for island-wide and then when the funds come down from you folks, then we know what we are going to select. Micro Paver is going to help us, show us by graphs and what not, how critical the priorities are and where they are located.

Mr. Tabata: For your information, Maui County has completed this, so we are kind of tagging on to what they are currently done.

Chair Furfaro: Additional projects?

Mr. Renaud: Okay, island-wide road resurfacing. Try excuse me. Island-wide resurfacing, the contract is with Grace Pacific. We are waiting for it to be completely signed. I was told sometime this week that by sometime next week, I should have the full contract in my hand. We have made phone contact with the project manager sort of speaking and as soon as we get the contract, he will be coming in and we will be sitting down and talking schedules and all this. Like I mentioned in the budget on Wednesday, I am trying to push for May-June, hopefully we can keep that, and if he cannot produce that then I am going to request with his company that maybe they will have to bring in another crew if the crew on Kaua'i cannot handle that, because of Kokee and other projects they have. I want to push this out while the weather is good right now so that we can get into the next project, the new one.

Chair Furfaro: Vice Chair Yukimura has a question.

Ms. Yukimura: So these moneys the 1.9 million almost 2 million dollars is for the next phase?

Mr. Renaud: Correct.

Mr. Dill: That is how much moneys are there. If you see from previous years, the remaining residual is 698.

Ms. Yukimura: Yes.

Mr. Dill: That monies is available to us now with the current contractor, we have been talking about potential additions that he can do with the current contract.

Or, if we do not use up all of that, whatever is left, will be rolled over in addition to the 1.3 for the next contract.

Ms. Yukimura: Right. So the 1.3 for sure and maybe the 698 if you do not use it as an addendum to the existing contract will be for the next round of repaving?

Mr. Dill: Correct.

Ms. Yukimura: Which would be, what is that? Put out to bid and encumbered this year and the repaving would probably be done in the next fiscal year?

Mr. Dill: It would be encumbered next fiscal year, fiscal year 13. Because the 1.3 is fiscal year 13 monies.

Ms. Yukimura: Right. In Fiscal Year 13 you would go out to bid for it and the repaving would be for the tail end of the, well, yeah because we are not going to go with our delayed system anymore.

Mr. Dill: We have never had a delayed system.

Ms. Yukimura: Really? You did not work late for three (3) years?

Chair Furfaro: Let's make it very clear, we do have a delayed system and here is the outcome. You do not spend the money in the year we give it to you, you lose it. You can look behind and Ernie is acknowledging that, Ernie, because the Council cannot approve monies for multiple years.

Mr. Dill: And I agree with Council Chair and I'm just trying to say that certainly our intentions (inaudible) current system.

Chair Furfaro: I love that answer.

Mr. Dill: I'm not sure if what was the system then...

Chair Furfaro: Your intention was very good.

Mr. Dill: There is no intent to create delays in the system but it worked out that way.

Ms. Yukimura: Yeah, thank you and we are happy how you've done the project for this fiscal year and now you are looking to the next.

Chair Furfaro: Okay, I'm going to yield the floor to other Members.

Ms. Yukimura: Yes.

Chair Furfaro: Okay, Mr. Rapozo and then Mr. Chang.

Mr. Rapozo: Thank you, Ed you mentioned the project manager for this contract, in all of these projects whether it is roads, highways, or buildings the amounts that are being approved include a project management fee? Is that how it works? How does it work, is there a percentage of the contract that is allocated to a project manager and typically who is that project manager?

Mr. Renaud: Okay. Number one is we haven't put anything in this budget but we are planning do it the next time around. In this one our project manager is and this is why I brought him up. This is Scott Suga, and has vast knowledge of project managing of projects and so we brought him on and we have monies in this and we are using him.

Chair Furfaro: Can I ask you to vacate the seat for a moment so we can welcome Scott?

SCOTT SUGA: Good afternoon Councilmembers, Scott Suga.

Chair Furfaro: You just joined us?

Mr. Suga: Yes, sir, January.

Chair Furfaro: In January.

Mr. Suga: I am extremely happy and proud to be here.

Chair Furfaro: Okay. Well, I wanted to say on behalf of the Council welcome despite what you might hear we're a nice group of people.

Mr. Suga: It's a little different being here in person.

Chair Furfaro: Okay.

Mr. Suga: You know actually this is just the second time I have been in the chambers. The first time I came in was back in the late 80's for a recognition for our baseball team that competed on O'ahu.

Chair Furfaro: You played on Oahu.

Mr. Suga: Yeah, a team from Kaua'i went up to compete on O'ahu and we came back with the trophies.

Chair Furfaro: What was your alma mater?

Mr. Suga: Actually it was a community league on the Westside.

Chair Furfaro: Oh, Westside community league. Well welcome.

Mr. Suga: Thank you.

Chair Furfaro: When we recruit the eighth and ninth member for the team for the Council we'll challenge the rest of engineering to a contest. Scott welcome.

Mr. Suga: Thank you.

Chair Furfaro: Mr. Chang wanted the floor.

Mr. Chang: Scott, nice to see you here. We were chatting because I think we were at the dedication of the lights in Waimea.

Mr. Suga: Yeah.

Mr. Chang: Can you give us your background so we know that you came from the private sector I guess.

Mr. Suga: Prior to this I have worked in the private industry for seven years and six with Goodfellow and one year with Earth Works Pacific.

Chair Furfaro: Okay. Thank you very much.

Mr. Chang: Welcome aboard.

Chair Furfaro: Ed, you have the floor again.

Mr. Rapozo: So Ed, a typical contract I am assuming there is a percentage for project management, whatever that maybe and how does that work, and if the project manager is a county employee does that pay his salary? Is that how it works?

Mr. Renaud: Correct. In this case it's going to pay his salary.

Mr. Dill: Because he is a contract funded position, so we pay him from these CIP monies.

Mr. Rapozo: And where would that show up?

Mr. Dill: It will be part of the 1.3, or whatever the contract amount is, so we make sure that we reserve sufficient funding to take care of his costs as well as the actual contract costs as well as any contingency costs.

Mr. Rapozo: And in other projects -- in some of the building projects we have project managers as well that are County Staff, not contract.

Mr. Dill: Correct.

Mr. Rapozo: How does the project management fees get used on that case.

Mr. Dill: I'll use the example of the Historic County Building. Pat Kaihara, he is a similar situation contract and he's project funded and so he was funded out of the Historic County Building line item, so I guess you don't see a separate cost associated with that, but it is a portion of that line item that is funded in the budget.

Mr. Rapozo: So his position doesn't show up in the budget as a County funded position.

Mr. Dill: Correct. He shows up as \$1.

Mr. Rapozo: Dollar funded position?

Mr. Dill: Correct.

Mr. Rapozo: But he get paid out of the CIP money?

Mr. Dill: Right.

Mr. Rapozo: It never dawned on me until we had housing up here and they had the spreadsheet and how the salaries are paid and take from the funding sources, and I am wondering if that is possible with Public Works because a lot of the -- when I look at the PID's and you see the project managers, you have non-contract project managers as well.

Mr. Dill: Yes, and a lot of those guys charge -- when they fill out their time sheet they show the project and if we can do that it's transferred to the project or federal highway project it's transferred to that portion, so we bill out some of the time on projects and that is available to us.

Mr. Rapozo: So the line item for the salaries in essence is not really charged to the General Fund?

Mr. Dill: Yes, that's correct.

Mr. Rapozo: Okay. Well, that would be interesting to find out how much of the salaries are being charged to CIP.

Mr. Dill: I'm sorry. Clarification, it gets charged to the General Fund and recovered from CIP.

Mr. Rapozo: Right. So the CIP will transfer back to the fund?

Mr. Dill: Yes. Let me confer.

Mr. Rapozo: Yes. So that's interesting because that money then contributes to the surplus.

Mr. Dill: Correct.

-- Mr. Rapozo: Any idea how much that amounts to? Who would be the right person to ask for that?

Mr. Dill: I would ask that you send over a--

Mr. Rapozo: We will, but who does it need to go to?

Mr. Dill: I would say my fiscal officer.

Chair Furfaro: We'll send the question to Clint then.

Mr. Rapozo: I believe that first of all I think whatever we can recover from CIP because we're funding it should be recovered but I think we need to as a Council during budget we need a spreadsheet of saying position x, y, z although budgeted for \$100,000 a year and only or recovered \$30,000 or \$40,000 off of CIP.

Mr. Tabata: Councilmember, that is very true, and we are moving towards that direction. We mentioned in operating budget some of our projects were not funded enough to cover for project managers to be funded through the CIP funds, so as we move forward we have been adding extra funding to cover for project management, so we can go out and hire these project managers that are dollar funded for that specific purpose.

Chair Furfaro: Okay. I want to revisit something because both Councilmember Rapozo and Councilmember Yukimura were not on the Council when we made this arrangement. Okay. And what you need to do to us you're going to give us some kind of overview that said for a project cost of more than \$100,000 you could tap the project for project management up to a certain percentage that there was a policy statement to that effect. I guess what the changes and so forth we have not seen that actual policy statement, so it should be something that maybe you would collaborate with Ernie Barreira folks and come up with a policy statement for us. That is how -- I mean I think Pat Kaihara has been with us what 5 years now? 6 years, something like that, and I think he was the first one we allowed building to do that, and it's worked well, but we're still waiting for it, the General Guideline Statement. So we'll be watching for that Ernie. Ed, I think I'm going to give Mr. Chang the floor. You wanted the floor Mr. Chang?

Mr. Chang: Did you want to add something?

Mr. Renaud: I just wanted to say something real fast. We did go out this past week and there were roads that came up from Council from (inaudible) and one from Police and we looked at the roads and we are doing the assessments right now. If we put it on this contract and we'll come forward for approval.

Chair Furfaro: Yeah. And again that was expected so thank you. Did you have another question?

Mr. Chang: Well, I didn't ask the question yet but I'm going to ask it right now. Thanks Ed. Just a little clarification, you were saying sometimes this week or sometime next week you're going to meet with the manager or something --

Mr. Renaud: Yeah, the project manager of the contractor Grays Pacific. I need the contract in my hand before I can call him on board.

Mr. Chang: And you explained that to us a couple of days ago?

Mr. Renaud: Correct.

Mr. Chang: Okay so when you said that you wanted to find out from him if it was too large of a scope that you would need to bring in other -- what did you explain to us?

Mr. Renaud: If he can't produce with the normal Kauai group and they will be busy with the Kokee Road they have a small group then I am going to request of the company to bring additional crews from outside island so we can move this project.

Mr. Dill: Understand Chairman -- I'm sorry. Councilmember, that they have our Kokee Road contract and that's a \$5 million paving contract and they also won the island wide resurfacing so two \$5 million projects for us. Ed is doing his best they're going to perform adequately for us and meet the deadlines.

Mr. Chang: Okay but that is the Grays Pacific Kauai people that are working.

Mr. Renaud: Correct.

Mr. Chang: So we have -- I guess what I am saying I want to make sure that our local work force has the jobs, the work because so in addition they are Kauai people are all going to be working but you're going to bring -- then you might say if you can't handle, you need to bring in people to make this work?

Mr. Renaud: Yeah, we will put it on the table and that's their discretion to do whatever they have to do to meet our contract and the Kokee contract.

Mr. Chang: I want to make sure that the Kauai people are getting work and I don't mind other island people coming and kicks into the economy and double good thing for us and we can double dip.

Mr. Renaud: If they say they can't turn Kokee around in six months it's something to think about. But if they say three months and we can wait that long but I can't wait no longer than three months because the rainy season will be here very shortly and in the experience from the past contracts we had we always went late and so it dragged on. I want to make sure we're on line.

Chair Furfaro: So Ed the question here posed to you is the following: When you enter into that discussion with them you want to make sure that they have exhausted all qualified Kauai residents to work first. That's how we want to pose it. Okay?

Mr. Chang: And just a follow up. You know nothing against Kokee Road but to get the general populous, where the majority of the Kauai people...you know the tour buses use Kokee Road and some of the local people and most of the local people like myself go up Waimea Canyon Drive road but just where a lot of the local traffic -- I would like to see emphasize on those barriers. Thank you.

Chair Furfaro: Okay. And make sure that we also do a media piece through the radio stations when the work is going on. Mr. Rapozo.

Mr. Rapozo: Thank you. If Ed if in fact it would require them to send more crews to Kauai would that affect the cost?

Mr. Renaud: No.

Mr. Rapozo: I mean I say hmm, but I have seen more change orders in this County than I like seeing.

Mr. Renaud: The way I look at it they have a commitment everything is spelled out in specs and what not. As soon as they get awarded dada and they have so many days to do it. It's very tight. But the thing is if they have more people on Kauai that are not working then I'm going to pose that question first to them.

Mr. Rapozo: They bid on a question that has specified time limit, and they can say they can do it, and if they're not doing it and we're requesting more crews I just don't want to be caught in a position where they say fine, we will send more crews but we need a change order".

Mr. Renaud: I understand.

Mr. Rapozo: Okay. Thank you.

Chair Furfaro: Okay. It's understood, so we almost pau with highways. Oh Vice Chair Yukimura.

Ms. Yukimura: The system of dollar funded contract positions paid for by the project. Does it serve as a succession planning tool as well? I guess in some extent it exposes you and you get to try out different people.

Mr. Dill: It may. We are looking at ways that we can utilize things available to us like that. That's how we can help with the transitions when staff move on to make sure that the industrial knowledge gets passed down. We discuss the issue of using project funded positions for that and I can get back to you if you like.

Chair Furfaro: Why don't you get back to us on that. In the meantime I think Vice Chair asked a question that as a County we need to develop a continuity plan. You and I worked on one in the North Shore but when the contractor hire him there is a little box on the corner you check it says "subject to rehire or no." Let's make sure we fill out the box that we know the performance was the level that we need. That's the first step in the continuity plan.

Ms. Yukimura: Okay. Thank you.

Chair Furfaro: Sorry to be so direct, but check the box, subject to rehire. Okay, very good, Ed, I don't think we have more questions for highway. Thank you very much. You're going to follow up on some of the discussion on resurfacing and I would like to do this if I could. The two gentlemen you can stay right there for right now, but I would like to bring Ernie up. We're going to move the Boards and Commissions and the drug treatment facility. You are representing the Boards and Commissions and I would like to ask you if you can consider us recessing the Boards and Commissions on the anti-drug piece until 9:00 a.m. Tuesday? Would you be able to coordinate that for us.

Mr. Barreira: Yes, we'll coordinate that for you, and that would also include boards and commissions in terms of the Waimea Substation Presentation.

Chair Furfaro: So that is for 9:00 a.m. Let's see if I can get a consensus from the staff here. The motion will be to call to order the Boards and Commissions on the Drug Treatment Facilities as well as the Police Substation, but ask that I entertain motion to reschedule recess the committee until 9:00 a.m. on Tuesday.

Mr. Chang: So moved.

Ms. Yukimura: Second.

Chair Furfaro: Thank you. Any discussion? All those in favor signify by saying aye.

The motion to call Boards and Commission on the Drug Treatment Facilities as well as the Police Substation was then put, and unanimously carried.

Chair Furfaro: Okay. Would will you make sure on the administration side we note, we called the meeting to order and recessed.

Mr. Barreira: Very good. Thank you.

Chair Furfaro:
going to go to buildings now.

Thank you very much. Okay. Mr. Dill, I think we're

Mr. Dill: Actually Council Chair I forgotten that Councilmember Nakamura asked a question about the Wailua emergency bypass earlier and asked her to wait until highways so this is the opportunity if you want to pose the questions.

Chair Furfaro: Okay we're back in highway mode. You had a question? I am sorry if I missed it. I might have been out. It's nice to be polite to me. Larry, do you know what the question was?

Ms. Nakamura: Yeah, the question was the million dollars set aside for the Wailua emergency bypass improvements. I haven't -- what's the time line on that? And do you expect to expend?--

Chair Furfaro: Could I just --

Ms. Nakamura: Yeah.

Chair Furfaro: This is the one that we're waiting for the Legislature, before they get out of session, to indicate to us that they have the other million dollars committed from the State, and if they did not based on a priority list that was going to be prepared by engineering we were contemplating going in and doing some of the work with our own money, ie, strengthening the bridge, putting up some guard rails and so forth. I just wanted to refresh everybody what we thought we left at the Legislature and you have the floor Councilmember Nakamura.

Mr. Dill: Yes, so just a short follow up Council Chair on your comments there. We agree that we had been waiting for the State to follow through with what we understood was a million dollar match to the County's million dollars. We were not encouraged that is forth coming so we directed Ed to go out and pursue a use of our funds to conduct repairs to the emergency bypass so I will let him describe where we are with that.

Chair Furfaro: I want to make sure we're all on the same page and waiting. We were waiting for something in the way of an outcome from the State. You have the floor.

Mr. Renaud: This project I know we did everything. We talk talked to the attorneys and we talked to purchasing and we were trying even to finance the we were trying to see if we could qualify for emergency but we didn't qualify and we had estimates from big and small contractors to do this work so what we did was it took us about a month to get a contract going for bid purposes to be advertised and in the scope of work we had everything -- I am going through it real fast, and I can answer questions afterwards, and the thing is it should be coming out shortly from purchasing. I believe we did every hurdle that is legal to get this moving and when it does comes out it will go out for bid and open competition and it's a maintenance project, that's what it's really about. A maintenance where Public Works couldn't take it on because if we would take it on like we talked about it, it would 18 months and we would stop all other projects that we have, but by using the contractors everything is maintenance like I said and putting the road back together, vegetation control, and the other new thing is guard rails for the safety of the motorists. I even had meetings with Hawaiian Homeland Agent Kaipo Duncan, he came down last Thursday and we went over the agreement.

and everything that was questioned by you folks to roads he answered everything. We have to stick with the contract agreement of maintenance and what not. Nothing new on there no pavement, or anything of that nature so there was no addendums or amendments to the contracts agreement that they gave us for maintenance so sorry to say we're in that position, but the thing is we believe that this project should take us -- we have it for six months but it should take three months with a contractor, and within a million dollars that we have now so that's the bottom line.

Chair Furfaro: So let me ask you are you telling me the work wasn't prioritized, we're not getting guard rails until--

Mr. Renaud: No, we're getting everything asked for.

Chair Furfaro: I want to make sure because you keep talking r and m and r and m to me is repair and maintenance. It's not existing facility. It's not adding guard rails and so forth but that is not the case.

Mr. Renaud: No, I said everything is maintenance except the new guard rails that we are putting in.

Chair Furfaro: Except the new guard rails. I'm sorry. I must have been asleep at the switch. You have the floor Councilmember.

Ms. Nakamura: So will the bypass road be paved?

Mr. Renaud: No. In the agreement and discussions with land agent that cannot be.

Ms. Nakamura: Okay.

Mr. Renaud: Because the agreement they gave us

Ms. Nakamura: That's the department of Hawaiian Homeland.

Mr. Renaud: Is for emergency use if the highway is closed down by Police. --

Ms. Nakamura: Okay.

Mr. Chang: I'm sorry Ed can you please repeat what you just said.

Mr. Renaud: The agreement we have with them...

Mr. Chang: I heard that part but the very end .

Mr. Renaud: Okay when the Police close down the highway that road is used for emergency. That's the bottom line the agreement that we had.

Chair Furfaro: Councilwoman you still have the floor.

Ms. Nakamura: Yes. So that -- basically the question that we had earlier with Larry was to explore whether there could be any other use beyond, more permanent use

beyond just emergencies since we're going to be doing some of the repairs, and so basically DHHL are saying no.

Mr. Renaud: Yeah, per the agreement that we have.

Ms. Nakamura: They're not going to agree to that.

Mr. Renaud: I think we have to get into discussions with them to change the agreement if we're looking at the different avenue, yeah.

Ms. Nakamura: Thank you.

Chair Furfaro: Bottom line is not anticipate in matching State funds. No changes to the existing contract. That's where we're at. Okay. Ed, thank you very much. We will go to Buildings now.

Welcome Doug. Doug and we're going to launch your portion here which is Public Works Buildings, and if you have a presentation for us you can start anytime.

Mr. Dill: So Council Chair as we have done with the others I asked Doug to go through the projects that are highlighted as proposed CIP for this year. Of course any other projects for the previous years we are happy to entertain questions on.

Buildings

DOUG HAIGH: Good afternoon Councilmembers, Doug Haigh from the Department of Public Works, Building Division. First I will discuss one of the projects in the highway section that I am managing that the Building Division is managing and that is the Hardy Street project. And that one we are -- it's a federal highway funded project with a County funded match, 20% match. We have submitted our bid documents to the Hawaii Department of Transportation and Federal Highway for their review. We're looking at doing a design build project and it's moving forward.

Chair Furfaro: Okay. That's the summary for Buildings?

Mr. Haigh: That's the summary of Hardy Street Project. On the sheet for Building Project it's.

Chair Furfaro: Give us the page number. Is it four? Okay.

Mr. Dill: Yes.

Mr. Haigh: The proposed CIP ADA announcer booth renovations and improvements is highlighted but basically that's being canceled out. That project we were never working on and Parks is taking care of that project, so no longer funds available for the Building Division on that. The next item proposed CIP ADA Projects Building Facilities. We are winding down our ADA Projects and these are the projects for the settlement agreement that we have been working on over the many, many years, so we have one last project going out to bid and then we have some in house work that we are doing on this work.

Mr. Rapozo: Mr. Chair, can I go back to the ADA announcer booth?

Chair Furfaro: The ADA announcer booth, we're going to go back to that.

Mr. Rapozo: Is that in the park's budget now?

Mr. Haigh: My understanding they were going to be utilizing that in their overall Parks Projects and not necessarily having it as a specific individual project. I know they have done some of the announcer booths--

Mr. Dill: I was informed that according to the Director of Parks that project is complete..

Mr. Rapozo: Oh it's complete? Okay. Thank you.

Mr. Dill: That's right and if you look at the CIP recap you can see there is --

Chair Furfaro: In the recap sheet.

Mr. Rapozo: Doug said it went to parks and that's why I looked at parks and I couldn't find it. But I got it. It is completed.

Mr. Haigh: Okay.

Chair Furfaro: So back to the second item that we're on Doug.

Mr. Haigh: These ADA project building facilities, so we're just finally winding that up. Next project proposed CIP fish bowl renovation. This is lingering funds to finally be canceled. These were associated with the work force initiative which was completed quite a few years ago.

Mr. Bynum: No longer a fish bowl.

Mr. Haigh: Yes. The next project is the -- well, we highlighted Kalaheo Fire Station repairs painting. That's a project, a maintenance project that got shifted in the CIP and it's -- we're moving forward with the procurement on that.

Next project, Kōloa Fire Station and that is similar, and moving forward on procurement. It will be completed by the end of this fiscal year. Piikoi interior renovatio phase two. This one actually is in the very early planning stages. Building division is involved in the asbestos removal portion at this point and we're had our investigation. We're waiting for a report and then we will move forward with the construction for the asbestos removal.

Mr. Dill: This line item also includes funds for office space planning and design for the remainder of Piikoi.

Chair Furfaro: Mr. Bynum.

Mr. Bynum: I have a question. And this may not be for you and if it isn't tell me, but there was his study that we waited forever about space allocation, and so we're not using that anymore, and there's going to be a new study?

Mr. Dill: That study be updated. That was done when the Big Save space was not available to us.

Mr. Bynum: So it's something that was kept kind of close because we thought there would be lots of employees who would have -- be anxious about where and if they're going to move so that study is being updated, or the old one was just moved, or --

Mr. Dill: No the existing study was done using the space available to the county at that time which is everything excluding the Big Save space so now we will update it to incorporate the Big Save space. I'm not sure if that answers your question.

Mr. Bynum: Is the intention to use all of the -- Big Save roughly 18,000 square feet?

Mr. Dill: Yes.

Mr. Bynum: Is the intention to use all of that for County facility?

Mr. Dill: Yes.

Mr. Bynum: Okay. So I'm going to repeat what I will talk to the Mayor about. I really would like us to consider saving about 6,000 square feet for neighborhood retail because that would be consistent with smart growth. This was the retail that the people who live in this end of the area to walk to, to get their daily stuff, and it helps reduce traffic for our employees who stop there and get bread and milk and so they don't have to go drive as much, so it's important for this portion of Līhu'e to have some retail. Maybe not Big Save size because Big Save -- we all know people get eight, 10 items and few people did their weekly shopping in that 18,000 square foot.

Mr. Dill: I apologize. We do have retail that we've planning in our early concepts so there was discussion about including retail aspect there.

Mr. Bynum: And I'm not suggesting that the entire 18,000 square foot.

Mr. Dill: Some smaller stuff yes.

Mr. Bynum: I say six or seven and (inaudible) the footprint that is working that the smaller commercial stores are starting to be viable (inaudible) people are using them, so anyway that is being considered at least. Thank you very much.

Chair Furfaro: Before I go to the Vice Chair, I want to make sure the space plan is being revised to now include the fact that the 18,000 square foot at Big Save is vacant. We didn't issue a new space plan or contract. It's being revised.

Mr. Dill: Correct. We had an update the existing plan.

Chair Furfaro: Okay. I just want to let you to know my position on this is I'm anxious to see the plan because I want to save rent money for the Auditor who should be in this building since they have a dotted line to report to the Council and that the Historic Society should be part of that planning for space over there. I just want to make sure that you -- because their lease is going to run out in six years. Okay. But we now have an Audit Department which the Council has to pay rent for. Okay. At the end of the day it's all the County's dollar so I want to make sure I hope in this revised space plan -- I do agree with Mr. Bynum. I see the piece about having sundry type concessions there but I don't want the Historic Society to drop off of the radar

screen since we need to get our Auditor back in the Historic County Building. Just FYI. Vice Chair Yukimura and Councilmember Nakamura. Can you run the meeting from here for a moment.

Mr. Rapozo: Sure.

Ms. Yukimura: Okay. Thank you. I want to reiterate what Councilmember Bynum said about retail space. There is a real impact to this community when Big Save moved out. From the Lihue Court People to the Molokoa People, to the Elderly Housing to even Sun Village and this whole smart growth concept of having some services nearby is important, and it is turning out some of the small space, whether gasoline station-- gas stations, are quite profitable and also serve a need, so it's a chance for the County to think of using its space in terms of its impact in the surrounding community. The County as a neighbor or a part of a community, and then the other thing is the whole storage issue -- I mean I hope that we're not going to plan much of the space used for storage because I think it's prime office space, and it certainly doesn't make sense to have us pay market rents outside when we have our own space, so and the last consideration I will just toss out. There is some thought of bringing the Sunshine Market into town also and I don't know if it can fit, but that is just another thought. I guess with the Town Core Plan maybe it fits somewhere.

Mr. Rapozo: Okay. Back to the budget, any questions on any item?
Councilmember Nakamura.

Ms. Nakamura: This is related to comments made earlier. While I agree that Big Save has left a gap, a retail gap here I am also concerned about business feasibility in that space with Wal-Mart expanding retail. Safeway coming up and others nearby, so I think as we - - you know, in the planning process we need to kind of look at the business feasibility into look at maybe models that might work elsewhere and what the situation is locally, and factor that into space planning.

Mr. Rapozo: Thank you any questions on any item on page four? If not I have Doug, Historical County Business, The Civic Center. I am looking at the recap and original approval and \$711,000 we have expended 35 encumbered 153 so we got 522 thousand left in the line. What would that be used for? What is the plan for that money?

Mr. Haigh: What's left over from being used for the Historic County Building will be then be shipped over to The Lihue Civic Center site improvement project.

Mr. Rapozo: Right. So that's the 522.

Mr. Haigh: Yes. That's correct.

Mr. Rapozo: What's on the horizon for that?

Mr. Haigh: Okay. We have final drawings. We have been kind of-- the Big Save change affected this project also because it changes our issues with the Eiwa Street, so rather than looking at improvement to Eiwa Street we're holding off on that and we scaled back the project to primarily do the Rice Street Parking Lot side, the Umi Street improvements to provide the connect ability to the annex and this building, and also the Hardy Street side providing the connect ability between the Bus Stop and The Civic Center and we are reviewing those drawings. and hopefully out to bid at the latest by this summer on that portion and we're going to reanalyze the whole Eiwa Street parking lot area, the Eiwa Street and the parking lot area there of whether or not it makes sense at that point to look at potentially closing it Eiwa Street and doing improvements to provide the linkage between the Piikoi Building and the Historic County Buildings.

Mr. Rapozo: Okay. So not necessarily building structure improvements. This is roadway improvements.--

Mr. Haigh: This is for site improvement.

Mr. Rapozo: Okay. Go ahead.

Mr. Bynum: It's kind of like the Civic Center ADA and this are intermingled?

Mr. Haigh: That is correct.

Mr. Bynum: And so this -- I asked this earlier today and if I heard it -- I think part is realigning the entrance on Rice Street across from the Post Office?

Mr. Haigh: That's correct.

Mr. Bynum: And reestablishing the walks.

Mr. Haigh: That is correct.

Mr. Bynum: And those are -- these are both projects that are relatively close to actually getting shovels in the ground?

Mr. Haigh: That is correct.

Mr. Bynum: Good news and it links with Hardy Street?

Mr. Haigh: Well, Hardy Street is a separate project -- well, we're making the connection between the Civic Center and the bus stop and Hardy Street as part of the Līhu'e Civic Center site improvements.

Mr. Bynum: Okay.

Mr. Haigh: We were looking at doing improvements to the bus stop in partnership with Transportation as part of that project but as we put the pieces together it made sense to do that within the Hardy Street project.

Mr. Bynum: The improvements --

Mr. Haigh: To the bus stop, yes.

Mr. Bynum: That's the central bus stop in essence.

Mr. Haigh: So we will be enlarging the bus shelter there and doing a much better integration between the bus stop and the road itself, so it will have a smooth appropriate connection.

Mr. Bynum: Including ADA safe access through the parking lot to the building right?

Mr. Haigh: That's correct.

Mr. Bynum: I am looking forward to these three projects coming to fruition. It's going to change downtown a lot. Thank you.

Mr. Rapozo: Thank you. So the Rice Street Larry the Rice Street projects that we talked about earlier that we are funding that I was under the impression for the cross walks when Wally was here. That's a separate project. Why would -- I guess it's confusing. These seem to be roadway projects, so why would they be in buildings? It's because we go through highway, we go through engineers and buildings and we're talking about pretty much related projects. Why is it that way?

Mr. Dill: Well Doug had the Hardy project on his plate before I arrived so we don't want to change that but generally speaking we tried to align the projects so that the (inaudible) building it goes to the Building Division. If it's site work type of stuff then it goes to the Engineering Division and that's generally the way it happens, but workloads sometimes dictate otherwise and Doug has experience in site work as well as building so occasionally that will happen.

Mr. Rapozo: But what we described right now is similar to what I heard from Wally Kudo.

Mr. Dill: Yeah.

Mr. Rapozo: Is it duplicated?

Mr. Dill: The Rice Street line item will tie into the work that Doug is doing with the Līhu'e Civic Center site improvements but go further down Rice towards in the Nawiliwili direction.

Mr. Rapozo: Does that make sense though to have planning of Rice Street projects assigned to Roads and Engineering and Hardy Street going to Buildings? Are we hiring three different consultants?

Mr. Dill: The Rice Street stuff is in house effort.

Mr. Rapozo: I'm sorry?

Mr. Dill: The Rice Street will be an in house effort.

Mr. Rapozo: Okay.

Mr. Dill: I understand what you're saying it seems like it's piece meal a project.

Mr. Rapozo: Right and the Councilmember Yukimura always talks about it starts with a plan but if the plan has three different ... it's like a three headed snake. For efficiencies, and I just don't understand why -- I always ask that question and I don't understand why we continue to have non building projects in buildings. I just don't understand it but if you feel it's working than it's working. I just think it's some added maybe some duplication of work and because you got different departments running different projects that are actually all tied together.

Mr. Dill: There is a nexus, I agree with you and there is coordination happening between Buildings, and Engineering in accomplishing the projects that Doug

has been working on for these roadways. A large part of that decision is to where that projects ends up is due to work load.

Mr. Rapozo: And the only other question I have is the security renovation for the Mayor's Office. What is that project?

Mr. Haigh: I believe it's been completed but I'm not absolutely certain.

Mr. Rapozo: Okay the recap said we've encumbered or spent just under \$10,000, but there is still a balance of \$41,000 in there.

Mr. Haigh: Yeah, I know Brian has been working on it and I'm not positive where he's at. It maybe that it's just ready to go out to bid. It's one of the smaller projects so I wasn't paying close attention.

Mr. Rapozo: Any idea what it would entail? We already spent \$10,000. Is it cameras or bullet proof glass and that's what I envision as a security renovation.

Mr. Dill: I think we'll have to get back to you on that one Councilmember Rapozo.

Mr. Rapozo: Staff if you could note that question. Any other questions for buildings? Go ahead Mr. Kualii.

Mr. Kualii: My questions are more general.

Mr. Rapozo: Before we get to the general questions any --

Mr. Kualii: General for Buildings.

Mr. Rapozo: Any specific item questions for the proposed, if not -- okay Mr. Kualii.

Mr. Kualii: Basically Vice-Chair Rapozo you were asking highways (inaudible) about the basics of project management and I know that Doug is the King of project managers for this County, so and I did hear Clint Saiki clarify that the salary and over time would be paid by the general fund and the general fund would reimbursed by the CIP funds. In our discussions on positions there was a discussion about construction manager position and the project manager position. Does the construction manager also do project management?

Mr. Haigh: Actually it's vice versa. The project management position is the more senior position and the project manager could be involved in construction management, but you wouldn't look at the construction manager being involved in the project management. Of course if we brought somebody in we would be training them and moving them up and giving him -- give that person that kind of experience to broaden their abilities.

Mr. Kualii: Now, are these -- like for example, I think we were introduced to Scott Suga who is a brand-new project manager with highways I guess.

Mr. Dill: Yeah.

Mr. Kualifi: He would be in a new County-- no, contract funded position, and that would be full time towards project management?

Mr. Dill: Correct.

Mr. Kualifi: If he worked -- if he had to because of the work load he could also get over time?

Mr. Dill: Yes.

Mr. Kualifi: So a contract funded project manager is like non exempt hourly and not entitled to over time? What about the county funded positions that do project management? Do we have any for starters?

Mr. Dill: Yes.

Mr. Kualifi: Because in the Building Division there's all those that we talked about, but they're all vacant and dollar funded.

Mr. Dill: Well those would be --

Mr. Kualifi: Those are all contract?

Mr. Dill: Right. The ones that are County Employees largely reside in engineering division.

Mr. Kualifi: Okay. So none in this building -- in there they're actually called project managers? So what about in the specific example of your position?

Mr. Haigh: In the Building Division supervisors, myself and our Office Manager -- not office manager Buildings Brian Inouye our Maintenance Supervisor, Building Maintenance Supervisor does a lot of project management work in addition to the super vision work. That's basically how we managed all these years is not only do we do our administrative work but we are also specific project work.

Mr. Kualifi: (Inaudible) there is one called Supervisor Building Inspector, Supervisor Electrical Inspector, Supervisor Plumbing Inspector. Are those the three you are talking about?

Mr. Haigh: No, there are specifically Code Enforcement although we do utilize our Building Inspectors and sometimes our other Inspectors for Construction Management Assistants for projects.

Mr. Kualifi: Who would you use for project management.

Mr. Haigh: That would be myself --

Mr. Kualifi: Besides yourself and you are Civil Engineer VII.

Mr. Haigh: Correct and also would be the Building Officer? I forget the title of the position.

Mr. Kualifi: There is Code Enforcement Officer

Mr. Haigh: Not that one.

Mr. Kualii: There is an Office Manager.

Mr. Haigh: Oh, actually you will see it in the maintenance section not in the first section of the Building Division Budget.

Mr. Dill: Who are you looking for?

Mr. Haigh: Brian's position.

Mr. Kualii: Buildings Manager.

Mr. Haigh: That's it. The Building Manager is also doing Project Management but primarily for repair and maintenance type of projects but definitely projects that are contracted out and also he has to take care of all the ongoing contracts for elevator service, air conditioning service.

Mr. Kualii: So that person would be paid fully by the General Fund and what percentage of his time would be paid back from CIP?

Mr. Haigh: Well for him none because none of his projects -- typically none. Typically he doesn't have projects that are grant funded so only the grant funded projects do we get money back to the General Fund.

Mr. Kualii: So that was one example but there is no charge back for CIP. What about in your case?

Mr. Haigh: In my case it's the same. My understanding in the Public Works Fiscal Office they will not charge our general funded time to a CIP project. They will just -- because we're funded under the General Fund but they will charge when we apply for reimbursement from the grant. They will take that and request the money from the grant, so that's when general funded positions funding gets reimbursed and in those funds go directly to the general Fund to the Department of Finance, and we don't see them.

Mr. Kualii: But is that charge based on the time that you put in --

Mr. Haigh: Yes. What we do on the time sheets if we're working on a grant funded project we will put in so many hours to that grant funded project so they keep track of it and they can bill it to the grant. It gets --

Mr. Kualii: So when you started by saying it doesn't charge back but it actually does if you keep track of the hours, and then later CIP pays the General Fund back.

Mr. Haigh: It's the grant, grant funds coming in.

Mr. Kualii: Oh yeah okay. The last line and the grants from State and -- that line.

Mr. Haigh: Yeah. That's where.

Mr. Kualii: I guess I am thinking all of that as CIP and part of this project; right?

Mr. Haigh: Yeah.

Mr. Kualii: (Inaudible) and bond fund or --

Mr. Haigh: Like all the work I did for the Historic County Building. That was just part of my General Fund work. It wasn't charged to the CIP and then Pat's work since -- this is a good example. Since I am generally funded none of my work to the Historic County Building was charged to the CIP. Pat is dollar funded in a position established to be funded by the CIP so he was charged to the CIP.

Mr. Kualii: Which position is that?

Mr. Haigh: It's one of the project managers. A dollar funded project manager.

Mr. Tabata: Principle Project Manager.

Mr. Haigh: Project Manager Officer, contract. Oh wait, no, that's the wrong page. Yeah, so that's what it would be. Project Manager Officer, contract.

Mr. Dill: Position 9048.

Mr. Kualii: EM-05, 1000.

Mr. Haigh: Yes.

Mr. Kualii: So, of all the others, you said they were not filled, but now that one is filled?

Mr. Haigh: Yes.

Mr. Kualii: That is correct.

Mr. Haigh: During the last fiscal year we did fill, we did have somebody, actually two people we were charging in those other positions for a period of time.

Mr. Kualii: So, his work is dependent on moving from one project to the next to the next to the next.

Mr. Haigh: That is correct. Basically he is managing probably three (3) or four (4) projects at a time.

Mr. Rapozo: Mr. Kualii hang on real quick. B.C. how's the Captioner's status? Jay told me at ten till we were going to change Captioners and I just remembered. Alright. Thank you. Mr. Kualii go ahead.

Mr. Kualii: Is Pat's position like Scott Suga's position? Where he is hourly and eligible for overtime?

Mr. Haigh: That is correct.

Mr. Kualii: But your position is not?

Mr. Haigh: Well, I'm eligible for overtime, yes.

Mr. Kualii: So any of the project managers would be eligible?

Mr. Haigh: Yes, yes. We are all civil service employees and we are eligible for overtime.

Mr. Kualii: And the reason it is needed is because we do not have enough project managers?

Mr. Haigh: That is correct and to be perfectly honest I am not uncomfortable with the amount of overtime hours that are being worked.

Mr. Kualii: So where is that in the budget because overtime...?

Mr. Haigh: It is charged to the CIP.

Mr. Kualii: But paid for by the General Fund first and then reimbursed by the CIP?

Mr. Haigh: Okay, it gets a little complicated here. For the General Funded people, we will charge it to the grant and it will get reimbursed. If it is not a grant funded project, we do have some accounts for overtime and we also have unfilled positions that we have to utilize some of those funds to compensate for the overtime.

Mr. Kualii: So basically we won't see a line item in your budget for the overtime.

Mr. Haigh: I believe there...

Mr. Kualii: I mean I saw in one in your division but it says only \$7,000.00.

Mr. Haigh: Yes, it is low. But it is an account there.

Mr. Kualii: The only other thing, but that is on the maintenance side.

Mr. Haigh: I believe on the maintenance side we have a much higher one. On the maintenance side we have a \$20,000.00 overtime.

Mr. Rapozo: Does the \$27,000.00, is that pretty close to what you folks use?

Mr. Haigh: It's been more than that, but that is what we are budgeting and should be our norm. If it goes over that it is because we have empty positions or more grant projects that we need to charge to. Basically, in the first page it says \$7,000.00 and that is set-up for me. The \$20,000.00 on the other page is on the maintenance side.

Mr. Kualii: And the overage is charged back to the CIP also?

Mr. Haigh: No, we do not charge General Fund employees overtime to the CIP. Now I do not know if that is illegal or just strictly a policy decision.

Mr. Kualifi: And for grant funded positions?

Mr. Haigh: The grants we charge. The overtime to the grants.

Mr. Kualifi: Those are CIP grants though?

Mr. Haigh: Yes.

Mr. Rapozo: Okay, any other questions for buildings? If not, thank you very much.

Mr. Haigh: You're welcome.

Mr. Rapozo: I'm not sure who is next, I am assuming it's Housing. Is our captioner still there? They can do the transition without a break? Oh okay. Good afternoon.

Housing Agency:

EUGENE K. JIMENEZ, Housing Director: With me today, I have the Development Coordinator, Gary Mackler, and we are here today to describe the two (2) projects that we are requesting for CIP funding under the Bond Fund. We did hand out earlier a two (2) page handout which we will explain later in regards to the Lihu'e area project which we are proposing. With that, let me turn this over to Gary, he will start off with the first propose CIP, it is entitled affordable housing on page seven (7).

GARY MACKLER, Housing Development Coordinator: Good afternoon. The first line item there that is showing is money that we are asking to be carried over into next year's fiscal year budget. This is money that has been held in contingency to hopefully be utilized to fund an environmental impact statement for the Limaola project. We had discussion about this on Tuesday as part of our budget presentation. This money will be used in conjunction with other money that are showing in our Housing and Community Development Revolving Fund budget and that is really all I have to say about that line item at this time, unless you have questions.

Chair Furfaro: That is it, on that project?

Mr. Mackler: Yes.

Chair Furfaro: Is that the next sequence on projects?

Mr. Mackler: I would be happy to go to the next line item.

Chair Furfaro: Yes, go ahead.

Mr. Mackler: Which is a request for two point three million dollars? This is a request for the County of Kauai to acquire land. We, as a County Agency and as the Administration continue to look for land that is suitable for the development of affordable housing. Early in 2011, the County started discussions with the owner of – what we call the West ridge Properties with their local contact Sean Smith. This property is owned by this LLC that controlling partner in the LLC is Larry Bowman. The land was purchased by West ridge in 2007 for close to five

million dollars. It was at one time slated to be a site for the Līhu'e 56 project which was going to be 56 condominiums that would be developed there – mid-level project, it did not get off the ground. During 2011, through our negotiations with the seller of the property, it was made clear to us that they were hopeful to complete a transaction where they could possibly sell this property for three million dollars or slightly less than that. Subsequent to that we went out and had an appraisal commissioned – our Agency Commission appraisal through (inaudible) Company and that appraisal which was completed in October 2011 came in at a much lower value than the seller's expectations. At that time, the negotiations ended because we made it very clear to the seller that we were not prepared to come before this Council to recommend an acquisition of land that exceeded the appraised value of the land. Our discussions ended around November 2011 but we did continue to remain in contact with the seller and earlier this year we did have a discussion with Sean and we expressed our continued interest in these sites. We met with him again at his request on March 1 of this year wherein he conveyed to us that the majority of the land – Larry Bowman was now prepared to sell the two (2) parcels to the County of Kaua'i at the appraised value.

Chair Furfaro: Gary, let me just ask a quick question. Potential (inaudible) is still fifty-six units?

Mr. Mackler: Yes, it is.

Chair Furfaro: So, that equates to about forty-one thousand per unit density?

Mr. Mackler: Yes.

Chair Furfaro: Okay.

Mr. Mackler: There are two (2) pieces and what I have given you is – I brought a handout up to you earlier in the day which provides you with property description. Both of these parcels have gone through State Land Use and County's zoning, so they are well advanced in terms of their entitlements for development which is a really good thing. Part of that handout is an aerial photograph to show you the exact location and it is shown in the red borders that you can see in that aerial. The larger piece is a little over three acres; it is approximately three and a half acres – that is the site that can hold fifty-eight dwelling units at this time. Nearest main intersection will be Kalena and Rice Street but if you are familiar with traveling to Līhu'e Court Townhomes taking the turn to go to Līhu'e Court Town Homes, it runs right between the two (2) parcels of land. The larger piece does overlook the valley below, the Nāwiliwili Stream and Kīpū Mountain Range; it is actually spectacular views off the backside of the property. The smaller piece which is one point three acres is a vacant parcel of land however does has one temporary structure on it – it is currently being used by the Līhu'e Fire Department for storage. I should also mention recently with water line improvements that were made throughout the Līhu'e area, waterlines upgrades have been made right up to the parcels. That was a very nice add for the offsite infrastructure. Both parcels will be serviceable through the Līhu'e Wastewater Treatment Facility. I also just brought up another handout – a one page handout, I wanted to give you a sense of a timetable where we to be able to acquire this land and move it forward for development. I hope you all have that and it looks like this. The Mayor has pushed very hard for this project and has pushed us very hard to make this transaction happen. He is very (inaudible) behind developing multi-family housing that will serve our senior population. The last project that I am aware of that was developed where we had any involvement was the Hale Kupuna Project which was twelve years or more ago, a twenty-eight unit project and it has been a long time since any housing has been produced here for specifically for our senior population and there is a growing need – a growing demographic on Kaua'i. Our Hawai'i Housing Planning Study released last year shows that there is a need for several hundred multi-family units for seniors who are below eighty percent of the median

income and we expect that number to grow into the future giving the changing demographics here on Kaua'i. In looking at a tentative timetable, the first thing we would want to do assuming we could gain control of the site, is to really look carefully at project concept and programming because that is where it is going to start as far as trying to layout what to do with the site and how to go forward with design and development. We also know given the type of financing we would want to use to build housing on this sites, we are going to need a environmental assessment completed and we will need to do one that complies with Chapter 343 of the Hawai'i Revised Statutes and also with the Federal level of environmental compliance which is called NEPA – National Environmental Policy Act because we are probably going to use HOME funds here – low income housing tax credit, equity – those kinds of financing tools. We would also want to look at the utilization of our fiscal year 2013 HOME funds. I have shared with you last week, I believe when we were talking about our 2012 Action Plan that the County of Kaua'i although we did not receive an allocation for 2012, we will receive the entire State allocation in 2013. That is the exact kind of funding that we would want to program into a project like this because it is flexible, it can be used for project soft cost, on-site infrastructure, and vertigo constructions. So this is just an early source of money to help this development go forward.

Much like what we have done in the past, most recently with the Paanau Village Phase two (2) projects, we would look at issuing a request for proposal to make a developer selection. The idea behind that would be to bring in a developer that could help us go after the remaining financing pieces that are needed to round out the financing for a development and that is most likely an application that would go to the State of Hawai'i through the Hawai'i Housing Development finance corporation that administers not only the HOME Program but the Tax Credit Program, the Rental Housing Trust Fund Program, the Rental Housing Revolving Fund Program, among others so looking at that and when we could actually have a developer position to go after that financing most likely will be applying for the State's consolidated application in January of 2014. If they were successful there would be a tax credit award or financing award in May or June of that year which is about the timeframe the State typically takes to issue out their awards. Following that to get a project under construction would most likely be toward the end of 2014 with occupancy in the summer or late summer of 2014. That assuming we can get started with this project this year.

Chair Furfaro: Let us go through all of your presentations and we will come back for questions.

Mr. Mackler: That is it.

Mr. Bynum: You have answered all the questions and I am just... I think this is a great project and I have been talking to you about this land for a couple of years. It was on the table, off the table, on the table... but I think this is really a testament to good long range planning and being prepared and having the experienced staff and thinking forward because to get side control and move to potential occupancy in this timeframe, for government is lightening speed and that is because the Housing Agency already has the expertise and these things in place. I know that was not a question but this is great... this is... where the jobs are here in Lihu'e and with the kind of things Public Works was talking about from this site people can walk safely, access retail, banking and medical facilities.

Mr. Mackler: I did want to...

Chair Furfaro: Before you go forward... you did not pose a question but I just want to ask you one other piece. As we talked about and I do not know if you remembered, have you checked on this piece of property having issues with an old railroad right of way?

Mr. Mackler: We have checked on that. I want to also mention that when we commissioned the appraisal last year, we also commissioned the phase one (1) of our metal site assessment and I believe it was reviewed as part of that review. The results of that ESA were that there were no issues in terms of the site not being cleaned. That there being any issues with hazardous materials and the likes so... and I believe it was reviewed and addressed through the ESA.

Chair Furfaro: That answers my question. I know we are having similar issues with the railroad right of way behind the old Lihue Plantation Corporate Office and that is why I raised that question when we met last time.

Mr. Mackler: I was going to say that because there are two (2) parcels involved, we would really look at developing the larger parcel first and looking at the second as potentially a second phase because the amount of financing you can get to do housing development these days, especially through the State – the awards they make are typically for projects that range between forty and sixty units, so this is kind of right in the sweet spot, we think, to at least get one phase of this development underway completed.

Ms. Yukimura: I am delighted with this project; it is something I can fully support in terms of acquisition. It is right in the middle of town, it is going to be serving a need and I have lots of questions about the details of the project but I am not going to ask them here in terms of acquiring the land which is what the CIP proposal is about.

Mr. Mackler: It is.

Ms. Yukimura: I think it is a fabulous idea and I commend you for the initiative for the tenacity to stay on top of it even when it looked like a “no” and for doing the right thing and getting a yellow book appraisal. Did you get a yellow book appraisal?

Mr. Mackler: I am not familiar with that term.

Ms. Yukimura: It is a higher level appraisal.

Mr. Jimenez: It was a commercial appraisal.

Ms. Yukimura: I understood to be a requirement if we buy land.

Mr. Mackler: I believe the appraisal commission will meet any of the federal requirements that...

Ms. Yukimura: Anyway, it is very commendable and I am very happy about it. I am just hopeful that you would do planning for both parcels at once.

Mr. Mackler: Yes.

Ms. Yukimura: Because you will need to know how they are going to work together and I hope that we also look at even oversight. Councilmember Bynum said it is safe to walk to everywhere but actually there is no sidewalk along Kalena.

Ms. Mackler: Councilmember Yukimura, I...

Chair Furfaro: These are details that come in discussion about housing, so we see now that the purchase (inaudible) eventually we have to also include sidewalk but that is another discussion.

Ms. Yukimura: And I may post it in my Committee for this detail discussion.

Chair Furfaro: You are more than welcome to do that.

Ms. Yukimura: But the basic concept – thank you very much.

Mr. Jimenez: Thank you very much for your comments. I would also like to state that – I would also like to give credit to Steve Hunt who assisted us with the appraisal and he did a lot of footwork for us and also I would like to commend the other County Departments which we depended on a lot such as Public Works to Water and we met with them extensively to figure out how we can make this project a reality and how can they assist us in doing it. The money is available here and I think we are asking for something that we are all going to be proud of.

Chair Furfaro: I think Vice Chair Yukimura said it and I will say it again, thank you for keeping the tenacity and keeping this item on your radar screen and this is the third and final time that discussions happened but we are all very pleased and have happy faces on our profile, if you will. Budget questions regarding this parcel? No. Are there any other questions for Housing in CIP?

Planning:

PETER A. NAKAMURA, Planning Department: As far as the six year CIP goes – as far as that item goes, the Planner from our Division that actually worked in that Department is currently on family leave. Probably the best way to handle that would be to... if you had detailed questions it would be good if we can get back to you in writing on those.

Chair Furfaro: Peter, just so you know I asked Ashley to bring out our copy of the six year CIP. Ours are so loosely bounded and I was wondering is it typical... or when it is published, do we each get a copy?

Mr. Nakamura: I think the last time and this is just recalling from memory just from some early discussions, Chair, the CIP may have been transmitted to the Council – the six year CIP may have been transmitted to the Council would have been... probably about three years ago Chair. Until starting probably in 2011, the Planning Director and Marie Williams from the long range division actively started working on reconnecting the six year CIP program with the County budget and with the General Plan and with the various plans. That effort that started back in 2011, last year, that... we are trying to build on that. What happened – in 2011 the Department worked on a format to have Department's submit to the Planning Department pursuant to the Charter projects that could be included in the six year CIP. The second thing that they worked on was making sure that the projects that were submitted were reviewed in terms of the projects being in lined with policies of the current General Plan. That was one thing they put in as part of the submittal starting 2011. The next thing they wanted to make sure and this happened after numerous discussions with the Public Works Department in particularly with Deputy County Engineer Lyle Tabata was the importance of connectivity and any of the projects that had to do with roads and streets or those kinds of things... the complete streets program, the work – Public Works is doing the update of the living streets manual was going to be part of the review of projects that were being submitted as part of the six year CIP. That is kind of the first steps that we are taking

starting 2011. The other thing that occurs is if you go back historically, the way the Charter initially reads is one of the main reasons for having a six year CIP was to coordinate projects that were Federally or State funded. I think in the past, the six year CIP was aimed at being a document that could be taken to the Legislature to go get matching funding when funding was available probably about... 5, 6, 7 years ago – the possibility of the State having matching funding for County projects I think fairly... pretty much disappeared. I think if you look at the Charter, I think one of the primary reasons for having the six year CIP was to be able to show that to the Legislature and to show projects going forward and funding and matching funding. Historically, that was one of the reasons for having it. The second thing if you look at the Charter and what is interesting about the six year CIP program is they talk about the distinction between the CIP program and the CIP budget and different ways – and those are treated in different ways. The CIP program is treated differently from the annual CIP budget. The other interesting thing if you look at the Charter, the six year CIP is also supposed help set the stage for bond floats or infrastructure projects that are done by bond float. And if you go further into the Charter requirements for the CIP program, it talks about having to be – the way the Charter in Section 19.9 talks about it is the CIP program includes with pretty much are bricks and (inaudible) projects. Permanent public improvements including planning, engineering, administrative cost, not repair and maintenance, acquisition of land, furnishing and fixtures so that is pretty much part of the Charter a defined type of project that was going to go into the CIP six year program. In essence, you are not going to see plans, the Master drainage plans – that is part of the six year CIP because it is not what is anticipated as part of the Charter. One of the things that started happening in 2011 was now having to look at the type of projects that were being put forth by the Department and being vetted according to the Charter requirements or is should be included in that. At that point, the Department worked on a form – a checklist if you will so that the departments can submit projects to the department, so the department can start the review. The initial reviews of the projects in terms of consistency of the General Plan is in fact taking place within the Department and it is sometimes it is a...the General Plan which is scheduled to be updated may not have been specific about certain projects but if you look at the overall policies of the General Plan, they would fall within those overall policies. An example of that would be something like... recently the Council discussed the Kawaihau permanent substation – Police substation, in 2000, I do not think that was anticipated yet. One of the things that... so when that was put forward as part of the six year CIP, if you look through the General Plan, there is not going to be a specific reference to develop a police substation in the Kawaihau District. Instead, you will find policies and statements in the General Plan to talk about the need for the County to be mindful of the public safety aspects and making sure that the public safety aspect of the County services stay in line of the growth of the highway. Sometimes if you look at those policies, they are not specific but you can find general guidance – general policy guidance.

Chair Furfaro: I guess what I am looking for is... our session today is about the CIP funds identified today and I am glad Mr. Barreira is still with us.

Mr. Nakamura: Right.

Chair Furfaro: But when I was a Planning Commissioner, the Planning Director brought to us a six year plan that is showing what we are doing in Kilauea with the well for water or what we are doing with the collection of landfill and you can see the kind of vision with the plan. I think the last booklet that I have is one that expires in 2014.

Mr. Nakamura: That would have been in 2009.

Chair Furfaro: 2009. So, I am asking is – is the Department planning to sign off on this current year and this kind of vision going forward in a new publication for us?

Mr. Nakamura: Yes.

Chair Furfaro: And if so, when would we expect that?

Mr. Nakamura: Well the six year CIP document which is I think fiscal year 2013 to fiscal year 2017, 18 I believe is this current one, was actually brought to the Commission back in January. Reviewed with the Commission, the Commission went over it and it was then transmitted to the Mayor's Office and we are still in the process of reviewing that document with the Mayor's Office so what we would like to do is try to see if we can work with them to get it over here prior to the May submittal.

Chair Furfaro: Okay.

Mr. Nakamura: But in that document which was reviewed by the Planning Commission, I think there were approximately fifty-three projects and sticking to the Charter requirements, in essences (inaudible) projects. You are not going to see studies in there. As much as possible, we try to review the projects for consistency with the General Plan – the 2000 General Plan. We also try to look at the Road Projects for connectivity purposes for being in compliance or being at least trying to meet the complete street standard. So those are the two (2) things...

Chair Furfaro: That is what we are looking for. Larry Dill presented to us today spreadsheets – ten of them identifying projects and so forth current budget year coming up. But for us, we want to also be able to track what is being forecasted going forward so if I heard you right, you said that is being – it has been over to the Mayor's Office.

Mr. Nakamura: Still under review.

Chair Furfaro: Still has to review but the six year CIP – the target is to get it to us before the May 8 reforecast?

Mr. Nakamura: Yes. I think the thing that we wanted to make sure we stress with the Council is that it is a work in progress. We know that the requirements of the Charter look for the projects in the six year CIP to be prioritized and this is not something that we have been able to do yet but it is something that hopefully going forward we will have ready by next fiscal year.

Chair Furfaro: And again, I am just wanting to summarize that because today we saw a lot of changes from Larry's presentation of things we had assumed were being targeted for. Each year we are getting the update on the six year plan, we can then build a history of items and that would be most helpful. We look forward to that and that is not an agenda item now, that was just a question that surfaced about the six year plan.

Mr. Bynum: So, there is a draft of a new six year CIP that went through the Planning Commission already?

Mr. Nakamura: Yes.

Mr. Bynum: And is that a public document?

Mr. Nakamura: It should be, I think, yes.

Mr. Bynum: And how often do we update the six year CIP?

Mr. Nakamura: It would be... by the Charter, it is done annually.

Mr. Bynum: Every year?

Mr. Nakamura: Yes, and it is a rolling compilation.

Mr. Bynum: And when was it last done?

Mr. Nakamura: I would have to get back to you, Councilmember but
I...

Mr. Bynum: So, this is an ongoing project of the Planning
Department right now?

Mr. Nakamura: This is kind of a restart of a project.

Mr. Bynum: And I appreciate your discussion in the front end it
was very interesting because what we have been getting from the State – the last couple of years
trying to find synergy where the County is actually servicing the State and we had some success in
getting some of those funds. But the other purpose of the six years is to kind of say that we are all
on the same page about what our visions is for these projects going forward?

Mr. Nakamura: Yes, I think part of it was to help the Department's, I
guess, look at their CIP projects whatever they are proposing in the context of the General Plan, in
the context of a community development plan and see why we are looking at it this way. I think a
lot of times projects are put forth and the hardest part of the six year CIP is that... just because the
project shows up on the six year CIP which we have been looking at, it does not necessarily mean it
is going to pop up on the annual Capital budget ordinance which is... depends on timing, depends on
funding. The main thing that we are trying to do is make sure that we build in the review of
consistency with County planning policies and policies like the complete streets policy.

Mr. Bynum: I appreciate that initiative because that is kind of
something new with this, right? And so when we complete this project, it is going to be more lined
with its original purpose and policies as what I heard you say?

Mr. Nakamura: That is what we are trying to do, we are trying to
bring it in alignment with the General Plan and what it envisioned the six year CIP to be. I think
the hardest thing is going to building the nexus between the six year CIP and the annual CIP
budget. That probably is going to be one of the harder things and to prioritization projects.

Mr. Bynum: So in this process basically the departments are
saying take this document seriously and give us the input about your visioning?

Mr. Nakamura: The interesting thing, I think, when I was talking to
Marie Williams who was working on the project, I think we initially kind of on the questionnaire
asked the departments to try to evaluate whether the project is in line with the policies of the
General Plan. We found that it would take more than that, to put it on a piece of paper and ask the
department's, does this project align itself with the General Plan? We found out that it will take
more of the department going out and meeting with the departments, going over the projects, trying
to get the explanation done. Part of it for us is outreach to the departments.

Mr. Bynum: I really have been liking this discussion and I appreciate the department moving in that direction because when I first learned of the six year CIP in my involvement of government, I was like “but the six year CIP says that” and I heard this repeatedly from different departments, “do not pay any attention to that document, it is just something that the Charter makes us do every year.” This is very different, you are saying “no, let us align it with the Charter...”

Mr. Nakamura: Let us rebuild the connection.

Mr. Bynum: And let us make it a meaningful document that actually says something – great, thank you.

Ms. Yukimura: I too appreciate the effort of the Planning Department to get back to the original concept of tying our infrastructure to our plans but then our plans have to give enough guidance and have to be up to date. How are you folks tying the analysis of whether something is in compliance with the General Plan to a rapidly changing policy arena and an example – this is the complete streets and I am actually quite impressed by the transition that is being made, I think partly because the staff is so already convinced of the policy changed that they are already proposing projects aligned with it and that is on the level of neighborhood complete streets.

Mr. Nakamura: Correct, yes.

Ms. Yukimura: My concern has been on the level of the macro island wide transportation system and where handicap – because we do not have a transportation planner and also much of the infrastructure and it is being planned by a DOT, not a County. I am aware or my understanding of the existing General Plan is that it is simply adopted the 1997 Highways plan and so the existing General Plan is based on the Highways General Plan even though it may not bring us to environmental protection or functionality even. How are you folks handling a difficult changing public policy arena like that?

Mr. Nakamura: One of the ways Vice Chair when we started is when we looking at the development plans, when you are looking at plans updates, is to start looking at them with a different lens, I think. One of the things that we are looking at in terms of – if you look at something like the Līhu‘e Town Core Plan, I think what they did was they looked at it, they took the implementation section and tied it to the CIP program saying if you want to implement this plan – the Līhu‘e Town Core Plan, if you want to strengthen the town core, these are the projects that should be implemented via the CIP and that is just at the local level. I think what is difficult and when we went to the Smart Growth conference in San Diego, Lyle took me along with him to go to the workshop on (inaudible) Department of Transportation which was really interesting in terms of having State and even Federal Department of Transportation kind of looking at different ways of how to look at transportation projects. One of the things I remember them talking about is basically soon enough... not soon enough but just the matrix – the amount of roads that will need to be repaired and the amount of bridges that need to be repaired is going to have to be a change in federal policy in terms of moneys that are going to be program.

Ms. Yukimura: Federal and State?

Mr. Nakamura: Yes. And help moneys as they flow down to the State, so I think one of the things that they were saying is that – at that level – at that policy look for changes.

Ms. Yukimura: But they were talking about changes at the State policy level, so I think we will hold a planning session on that and I actually have that cd of that...

Mr. Nakamura: Oh, yes.

Ms. Yukimura: So, it is something that...

Mr. Nakamura: It was a fascinating workshop.

Ms. Yukimura: Totally fascinating workshop.

Mr. Nakamura: They talked about the ability to build new capacity versus taking care of what you have.

Ms. Yukimura: I am so glad that Planning Department is aware of that and that we are looking at those issues because I think those are the ones that we need to look at. If we are going to plan well and then do a CIP – six year and annual CIP's that are moving us in that direction.

Mr. Nakamura: You should really thank Lyle, he is going to another workshop related to this.

Chair Furfaro: We will plan in the near future to have a Council workshop with Planning on this CIP forecasting and planning.

Ms. Yukimura: And we can try anyway to invite the DOT – maybe we will get them to come too.

Chair Furfaro: I think that would be a good idea.

Mr. Nakamura: Council Chair, when we looked at it – it is truly going to be a work in progress. It is going to involve several fiscal years I think. The work that the Department has done in the past, Chair, has really been... well between Marie and Mike, has been exceptional.

Chair Furfaro: We are very pleased with the staff there and what they are contributing to our new long range planning process but today we are dealing with budget and I am sorry I raised the question, where we are at with the six year piece so we can start seeing this window. Planning – CIP questions?

Mr. Bynum: We are increasing the CIP General Fund technical studies to have sufficient funding which is really phase one of the General Plan update, right?

Mr. Nakamura: Yes.

Mr. Bynum: Okay, I get that. I guess I am a little disappointed that we are removing funds from the Public Access open space, was there a reason for that? Was it just a fiscal thing?

Mr. Nakamura: Councilmember, I am sorry, I would have to get back to you on that. That is not the one that I was quite working on.

Mr. Bynum: I am glad to see it is still here – County wide impact fee, is there any intention to actually implement it?

Mr. Nakamura: As far as the County wide impact fees, that project is in procurement and we are anticipating to encumber the contract prior to the end of the fiscal year.

Mr. Bynum: It is in procurement?

Mr. Nakamura: Yes.

Mr. Bynum: Yahoo!

Mr. Nakamura: And we are looking at... before the end of the fiscal year, we are looking to encumber those moneys.

Ms. Yukimura: What is that?

Mr. Nakamura: The impact fee study.

Mr. Bynum: Is in procurement.

Ms. Yukimura: But what about the end of the year?

Mr. Nakamura: End of fiscal year.

Ms. Yukimura: Okay.

Mr. Nakamura: So, we are looking to encumber those funds prior to June 30.

Chair Furfaro: I am very happy with that, Peter, I think you know I put that money in from the Council, so I am glad...

Mr. Bynum: In 2007?

Chair Furfaro: It was a while back.

Mr. Bynum: So, great. Thank you.

Chair Furfaro: Anymore CIP questions for Planning?

Ms. Yukimura: Do you have a PID? You do not have that or a description of the line item? Like of the technical studies... which technical studies you are doing and what the timetable is for them?

Mr. Nakamura: I do not have that one in particular.

Chair Furfaro: You are filling in for Marie, right?

Ms. Yukimura: So, we will ask that question. I think I already sent that over.

Mr. Nakamura: I think it is part of the follow up questions – there was a question about the technical studies. They are also in procurement, Vice Chair, so I do not want to say too much about it because we are still going through the procurement process on those. What I can tell you is that there are three (3) technical studies that went out for request for qualifications, one was on the social economic study that looked at population, visitor counts, and those kinds of things – that is the first study. The second study would have been on the land use assessment to look at where we are at. The third study was an infrastructure assessment and the idea behind this was this was to have these three technical studies done prior to studying the General Plan because what we are looking at was; we were looking for a database. We were looking for a consistent level of data that we could have prior to the General Plan. I think Council Chair Furfaro will remember in the previous General Plan... as part of the General Plan, I think, the CAC was already into the plan when discussions – deep discussions came up on the forecast. So when the forecast for visitor...

Chair Furfaro: Oh, there was a very deep discussion on that with the State wanting us to just except their (inaudible) development number and many of fought to a more realistic number that tied to our – at that time existing zoning and no more.

Mr. Nakamura: In talking to Keith Nitta, the former long range Planner, what he mentioned was the General Plan update had already started when the CAC got into that discussion and in his mind had served as a drag on the process – kind of slowed it down. In this instance, what we wanted to do is to get as much as possible to get those kinds of issues taking care of upfront, prior to actually starting the update.

Chair Furfaro: Thank you.

Ms. Yukimura: The land use assessment to look at where we are as included a build analysis?

Mr. Nakamura: I think that was part of the request for qualifications.

Ms. Yukimura: Okay and then how are you incorporating or... somehow you are incorporating the issues of sustainability in both the General Plan and the area development plans.

Mr. Nakamura: As part of the technical studies, one of the things we wanted to be able to look at was... I know there was a lot of discussion about complete streets and making sure there is connectivity taking care of in terms of streets but the streets also serve as infrastructure for storm water runoff. So part of it was to see if we can look at (inaudible) infrastructure of the streets that could coincide with the activity.

Ms. Yukimura: It is that kind of connection but it is a connection in a lot of different areas too.

Mr. Nakamura: Yes and what we did not want to do is preclude the ability to have green infrastructure, rain guard and (inaudible) at the expense of putting in complete streets. Part of that infrastructure assessment is to look at those kinds of light imprint infrastructure kinds of development.

Ms. Yukimura: So you are saying that through the infrastructure assessment process, you are trying to incorporate sustainability?

Mr. Nakamura: Yes.

Ms. Yukimura: Okay. I was just looking at the sample plan that Councilmember Nakamura brought back from one of her conferences, the Fourth Collins Plan, and they did their General Plan and Transportation Plan together, so when I look at what is missing in terms of your technical studies, it is the transportation component but I know that Marie has said that we will make the multimodal plan that that would be... we are really coordinating there but it is still...we are not getting the highway component which is the State DOT land transportation. How are we doing that?

Mr. Nakamura: Even at the County level, it is getting a little bit tricky to coordinate because at the same time as we are doing the technical plan the (inaudible) infrastructure assessment, the Department of Parks and Recreation are completing their parks and recreation plan. What we are trying to do now is make sure that everyone is aware of what other plans are going on and other studies are going on.

Chair Furfaro: I think we need to maybe just have ongoing discussions on this subject from the multimodal plan to some better coordination and we will be doing that. Any other questions for CIP – Planning? Thank you, Peter.

OFFICE OF ECONOMIC DEVELOPMENT:

GLENN SATO, Economic Development: I am here to address the CIP, it is under other projects – alternate energy projects and new alternate energy projects. There are roughly one point zero, six million in the first account and five hundred thousand in the second. What we are proposing to do is... it is a PV system for the Police, Prosecutor, Civil Defense facility and what we are looking at a two hundred fifteen KW size system. We just had a feasibility study done in early April that pretty much recommended that there was not enough south facing roof space, so the recommendation is to construct an eighty-two carport that can house eighty-two parking spaces and that would be the support structure for the PV system.

Chair Furfaro: Just like the Hyatt?

Mr. Sato: Right but probably not as elaborate as the Hyatt because the Hyatt has huge concrete pillars to support, so a little bit more budget minded. Connected with this, it is a design build – it started off as a design build and at the same time I will need to just advise you that we are going through the energy savings performance contract for Wastewater and part of that proposal that has come in is a very attractive power purchase agreement. We right now are looking at the feasibility of – instead of going from design build to looking at the potential of putting this under a power purchase RFP going out. Of course as I reported in the past, there is some legislation going through the State Legislature right now that if it passes it would prohibit the County from – for any investor to take advantage of the State Tax credits through a power purchase agreement. It started off and I do not want to confuse you but it started off as a House bill 2121 and it went over to the Senate side and the Senate gutted the bill and changed it into a totally different bill. There was a Senate bill 2288 that went over to the House side and the House did the same thing, they gutted that bill and stuck in the anti power purchase agreement language in that revised bill. Right now, we are in deep negotiations... not negotiations but I am trying to lobby our Legislatures to try to basically kill that bill.

Chair Furfaro: When you say our Legislatures – you are talking to our Kaua'i?

Mr. Sato: Yes, Senator Kouchi, Representatives Morikawa, Tokioka and Kawakami. I am asking them to help us because it is not only our projects but my understanding is the State Schools Projects, those are all going through power purchase agreements

and for some reason this particular bill seems to target County, State and Federal agencies only. So, if you have questions about the specific project itself, I think a lot of it is self described.

Mr. Bynum: I do not understand the rationale of this bill and who is pushing it and do you know?

Mr. Sato: The anti PPA bill?

Mr. Bynum: Yes.

Mr. Sato: It originated from the House side... I do not know the reasons why...

Mr. Bynum: Who benefits?

Mr. Sato: Well, I think the concern from the Houses side from what I have seen in the Committee Report is they feel too much money has been flowing out of the State to provide these tax credits. So basically you are looking at a program that they started that is very successful, so it is a victim of its own success. They are trying to stop the amount of tax credits going out.

Mr. Bynum: Okay, I get it.

Mr. Sato: Just today, Blue Planet Foundation issued a report, they had Dr. Tom (inaudible) from the University of Hawai'i do a comprehensive study on the impact of the tax credits and I think you will be surprised if you look at it, it was... I think it will tomorrows paper but it shows for every dollar that the State puts out in the tax credits, I believe that there was like a thirteen dollar return basically in jobs and spending. That is pretty much all I can say about that particular bill. We are just trying so hard to kill it right now.

Mr. Bynum: Thank you.

Ms. Yukimura: I did not fully get your first statement about this one point zero, four, eight million project - that is the Police Station photovoltaic?

Mr. Sato: That particular account started off with one point five million. We used about four hundred fifty thousand or so for the Civil Center PV system and then that carryover is what we plan to use in addition to the second funding source to do this Police PV project.

Ms. Yukimura: What is the total cost of the Police PV project?

Mr. Sato: We are estimating that it would be about one point five million – roughly about there.

Ms. Yukimura: And where are the moneys coming from? You are on page seven, right? Do you have our...

Chair Furfaro: Do you have the spreadsheet, Glenn?

Mr. Sato: I have the list of the CIP numbers. It is under alternate energy projects, there is one point one, zero, four, eight, eight, zero, seven. And new alternate energy projects, it started out with five hundred thousand – somewhere along the line for

that one, we lost two hundred thousand, so there are three hundred thousand left. You are looking at one point three, five.

Ms. Yukimura: Okay. What is the payback for the... the return on investment?

Mr. Sato: If I recall the consultants numbers, it is about a ten year payback.

Ms. Yukimura: Okay, so we will pay back the project and then we will be saving... is it taking care of all the electricity use of that facility?

Mr. Sato: No, the size system is limited by of course our funding amount plus it is limited to how much space we want to commit to – carports and south facing surfaces. I do not think any of our facilities has enough space to accommodate even... seeing the majority of the par usage.

Ms. Yukimura: In fact, if you are starting from scratch, you might save more money just by how you design the building then by retrofitting a PV system on it.

Mr. Sato: Exactly.

Ms. Yukimura: What is making us go to this project rather than some other project? Is this the low hanging fruit? To spend one point three million dollars on it?

Mr. Sato: Because we had addressed part of the Civic Center – when I did the Civic Center Project, we used what I was directed to look at in terms of available roof space. The flat roof over Piikoi and when you look at that facility, it is that huge south roofing facing roof...

Ms. Yukimura: You are talking about Police?

Mr. Sato: But then you have these... it is a tile composite tile roof and for us to put it on that roof surface, was not appropriate. You could, if you really wanted to but by directive from Building Division was limit my project to the flat surface. So we did that, we are looking at large facilities with sustain day time loads, that is the most effective because PV power is coming out from basically from the sun shining during the day. When we look at – if we say we have done a project that Civic Center in the most appropriate candidate is the Police facility.

Ms. Yukimura: So, there is a report then showing the return on investment?

Mr. Sato: It is a report showing – it is a consultant report showing what is feasible in terms of the roof surfaces facing south and that report basically came up with the recommendation that we would be better served putting up a carport system as a mounting rack and it would provide both shade and parking spaces and at the same time being able to support enough panels to provide PV power to the facility.

Ms. Yukimura: And it came out of an analysis that PV power is the best way to spend our energy money?

Mr. Sato: In-house, what we did was we looked at the alternate potentials. We looked at wind and that site is not feasible in terms of...

Ms. Yukimura: The goal we are trying to reach here is and maybe you can tell us... but what the objective was to reduce the County's energy bill or energy usage – that was our goal and the conclusion is that this PV project is the low hanging fruit or the best place to put that money.

Mr. Sato: I am not sure I would describe it as the low hanging fruit, this facility, we feel that PV is the most effective at this facility because of its size and because of its day time low.

Ms. Yukimura: Okay, thank you.

Mr. Bynum: If this happens, the carport is existing parking – cover existing parking?

Mr. Sato: Yes. It is part of the parking lot and we would just cover eighty-two spaces and over that would be the PV system.

Mr. Bynum: Got you. This bill is so important because if we lose those tax credits, this project is dead.

Mr. Sato: No.

Mr. Bynum: No?

Mr. Sato: Okay, there are two (2) things – two methodologies that we are talking about. One is to design, build, and to pay everything ourselves but because we are in negotiations and we can see the potential of our power purchase agreement, we would like to explore that possibility because then we do not have to necessarily spend our own money.

Mr. Bynum: At all?

Mr. Sato: Yes.

Mr. Bynum: Got you.

Mr. Sato: Well... we would need some of it – there is an environmental assessment that needs to be done.

Mr. Bynum: Right.

Mr. Sato: But it would possibly free up some of this for other uses.

Mr. Bynum: Got you.

Mr. Sato: But then if... that saying if the Legislature passes that anti PPA bill then our hands are tied and we would move forward on this design bill concept.

Mr. Bynum: Thank you for that clarification.

Ms. Yukimura: So the selling of power is part of this Police Station Project?

Mr. Sato: Sell of power? It would be grid connected, so any excess would go to KIUC at whatever that current price would be.

Ms. Yukimura: But it would be sold only if you have satisfying all your power needs right?

Mr. Sato: Yes, we are not over designing this system so there would be times say probably on the weekends when only the Police would be working and EOC and Prosecutor's would be not working, at that point in a really good sunny day, the system might produce more than the facility would use but not by very much.

Mr. Bynum: Or on weekend?

Mr. Sato: Yes, on the weekends, that is what I am talking about.

Ms. Yukimura: But it is enough to make it forth to do a power purchase agreement?

Mr. Sato: The power purchase agreement would also not over design, we are not here... it does not make sense to produce power to sell to the grid because we are not getting retail.

Ms. Yukimura: Right.

Mr. Sato: We want to satisfy our own needs and offset the roughly forty cents per kilowatt hour.

Ms. Yukimura: Right.

Mr. Sato: Versus right now we might end up with ten to twenty cents.

Ms. Yukimura: In the ten year... it is a ten year payback, how long is the life of the system?

Mr. Sato: PV systems last a good twenty-five years.

Ms. Yukimura: Okay, that sounds good. Thank you.

Chair Furfaro: Are there more questions for the energy support team? Glenn, if not, thank you very much for your report and we are going into recess until tomorrow morning at 8:30.

The budget review was recessed at 7:19 p.m.